

DAILY REPORT

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RENMIN RIBAO ON U.S., SOVIET MILITARY SATELLITES

HK120914 Beijing RENMIN RIBAO in Chinese 12 Aug 82 p 7

[Article by Yang Xumin [2799 4423 2404]: "The Development of U.S. and Soviet Military Satellites"]

[Text] Since the first artificial satellite was launched in 1957, the two superpowers, the United States and the Soviet Union, proceeding from the requirements of their global strategy, have competed with each other in developing military satellites, thus engaging in a fierce arms race in outer space. Over 70 percent of the satellites they have launched are for military purposes.

At present the military space systems of the United States and the Soviet Union include photographic and electronic reconnaissance, missile early warning, ocean monitoring, communications, navigational guidance, weather and ground survey satellites. All these satellites are now in use and are also being continually improved and perfected. For example, the U.S. missile early warning system can determine within 6 minutes of a missile launch whether it is offensive and what its target is in the United States, thus providing an early warning. The Soviet photographic reconnaissance satellites can take very high resolution photographs. There is more than one such satellite at work at all times, and they can cover the whole globe for most of the year. The two superpowers are also developing antisatellite systems that can destroy enemy satellites. The Soviet Union is 10 years ahead of the United States in this field, and has already tested working interceptor satellites and laser and particle concentration weapons.

Apart from their possession of corresponding military systems, there are differences between the United States and Soviet Union in the development of military space technology. The Soviet Union is very active in its space activities. In the past 10 and more years Soviet satellite launchings have been 2.5 times more numerous than those of the United States. In addition, the Soviet Union has attached extremely great importance to the development of manned flight technology. It is also developing large transport vehicles with a payload six to seven times greater than that of U.S. spaceships, with the aim of putting large, permanent and manned space stations into orbit. Their crews will be able to select their targets in space and command and control defensive and offensive space weapons.

The space shuttle on which the United States has exerted great efforts in recent years has military potentials that cannot be overlooked. It is a new type of multipurpose vehicle, cheaper and more reliable than a one-shot carrier rocket. It can launch all kinds of military satellites, repair and recover U.S. satellites in orbit, capture or destroy enemy satellites, be formed into a large space structure, act as a launching platform for laser and other military weapons, carry out manned reconnaissance and so on. When necessary it can also act as a military command center. The repeated successful test flights on this spacecraft have enabled the United States to gain more results from less launchings compared with the Soviet Union and to continue to maintain its superiority in manned flight technology. Putting this spaceship to use is bound to speed up the militarization of space and make the space rivalry between the United States and the Soviet Union ever fiercer.

Both superpowers have spent huge sums on and paid tremendous prices in developing their military satellite systems. During fiscal year 1981, the space budget of NASA was about \$4.997 billion while that of the U.S. Defense Department was about \$4.789 billion. In fiscal year 1982 these figures have been respectively \$5.617 billion and \$5.916 billion. It is said that the Soviet Union's annual space budget exceeds that of the United States.

Right from the start, military satellites have been used by the Soviet Union and the United States to serve their strategic and tactical aim of gaining world hegemony.

For instance, at the beginning of the 1960's, U.S. reconnaissance satellites confirmed the number of missiles deployed by the Soviet Union and exploded the myth of the missile gap. During the fourth Middle East war in 1973, U.S. photographic reconnaissance satellites discovered the holes in the weak Egyptian defenses in the Great Bitter Lake area, and the Israelis organized an attack by stealth in accordance with this intelligence and were able to recover to seize the initiative.

Due to the daily perfection of space technology, a full range of military satellites of all types are monitoring the globe day and night, providing large quantities of strategic and tactical intelligence for the two superpowers. U.S. military communications satellites undertake 80 percent of the country's entire military communications tasks. Space technology is the acme of modern science and technology and a hallmark of a country's scientific and technological development and economic strength. It can both serve man and also become a tool of war that can bring great calamity on man. Apart from antisatellite systems for intercepting and destroying enemy satellites, military satellites can be used for civil purposes in peacetime, such as commercial communications, survey of resources, weather forecasting and so on.

How to make space technology, the common wealth of man, serve world peace and human progress, and how to take effective measures to stop the two superpowers from regarding the militarization of space as an important means of gaining world hegemony -- this is a problem of common concern to the peoples of the world, and is also the purpose of the second UN meeting in Vienna on the exploration and peaceful uses of outer space.

UN CONFERENCE URGES SPACE DEMILITARIZATION

OW151210 Beijing XINHUA in English 1201 GMT 15 Aug 82

[Text] Vienna, August 14 (XINHUA) -- The second conference of the exploration and peaceful use of outer space ended its 5-day general debate here Friday with most speakers urging an end to the militarization in outer space. During the debate, representatives of about 90 countries, regions or international organizations expounded their positions for the peaceful use of space technology and against the militarization of space activities. Many countries called for increased international cooperation and assistance to the developing countries in the fields of space science and technology.

Second World countries expressed their concern that arms race could be brought to the outer space. The development of anti-satellite weapon systems were especially opposed. One of the two superpowers only paid lip service to the theme of demilitarization of space activities. The other even avoided to mention demilitarization.

At the end of the general debate, a declaration by the "Group of 77" developing countries was presented to the conference, which demands a ban on the testing, stationing and deployment of any weapons in space. All countries, especially those that have the ability to do so should be asked to refrain from any activities which could lead to the extension of the arms race into outer space, the declaration said.

HUANG HUA MEETS BANGLADESH, CAMEROON ENVOYS

OW141435 Beijing XINHUA in English 1205 GMT 14 Aug 82

[Text] Beijing, August 14 (XINHUA) -- Huang Hua, state councillor and minister of foreign affairs, met with outgoing ambassadors to China of Bangladesh and Cameroon, M.M. Rezaul Karim and Jacob Achidi Kisob, on separate occasions here this afternoon.

U.S. RECESSION CONTINUES FOR FULL YEAR

OW151734 Beijing XINHUA in English 1559 GMT 15 Aug 82

[Text] Beijing, August 14 (XINHUA) -- The eight economic recession that hit the United States in the post-war period has continued a full year by last month as industrial production in the country fell by 0.1 percent last month as compared with a month earlier, according to figures released by the Federal Reserve Board.

The industrial production index of last month fell to 138.1 points from 153.9 points in the same month of last year (taking the figure of 1967 as 100), showing a drop of 11.1 percent; the operating rate of factories dived from 79.8 percent to 69.5 percent in the same period, a drop of 13.9 percent; the unemployment rate rose from seven percent to 9.8 percent, or from 7.5 million to 10.79 million, an increase of 43.9 percent. Since the start of this year, business failures averaged more than 450 cases each week, a jump of 43 percent over last year.

Where is the economy headed in the foreseeable future? There have been different forecasts in the country: The official view is "the recession has reached its lowest point" and the rise in private spending will stimulate the economy to rebound at a faster pace. Some economists admitted that there have been signs of a pickup, but they pointed out that they will be "the weakest recovery in the post-World War II period." But most economists are of the view that the economy is in a twilight zone -- "it's either going to be morning or night." They pointed out that the steep slide experienced last week at the stock market is a reflection of "that elusive U.S. recovery."

The American press generally deem that the "bugaboo" of interest rates holds the key to the economic trends in the country. The Federal Reserve Board has been easing its monetary policy slightly since mid-July, lowering the discount rate from 12.5 percent to the current 10.5 percent. The prime lending rate charged by U.S. commercial banks to their best corporate customers also showed a relative drop from 16.5 percent to 14.5 percent. However, "the decline in interest rates is limited both in time and in depth," said an entrepreneur.

The unprecedented gross financial deficits troubling the U.S. Government is the main roadblock to the continual decline in interest rates. The budget deficits in the current fiscal year ending September 30 is estimated at 108.9 billion U.S. dollars, nearly twice as high as the figure for the previous fiscal year. The Congress put the deficits for the next fiscal year at 146 billion dollars. To finance the red ink, the Treasury Department has announced that it will borrow 50.5 billion dollars on the public credit markets in the third quarter of this year, and another 50 billion dollars in the fourth quarter. Such gross borrowings will drain 56 percent of money available on the credit markets, thus making it difficult for the interest rates of short-term credits to fall considerably. Meanwhile, the big financial deficits augur ill for inflation, thus making it difficult for the interest rates of long-term credits to come down. Not a few economists fear that if there will be a pick-up, then borrowing by business and private sources will mount, thus causing a rapid rebound of interests rates on the credit markets. All this combines to threaten a new recession after a short-time recovery.

With the economic prospects shrouded in uncertainty, even President Ronald Reagan has toned down his hitherto-optimistic predictions. He conceded in a recent public speech that a return to economic prosperity will be a lengthy process requiring "enormous effort and patience."

FURTHER MATERIALS ON JAPANESE TEXTBOOK CHANGES

RENMIN RIBAO Article

HK160208 Beijing RENMIN RIBAO in Chinese 15 Aug 82 p 6

[Article by Wei Yuqin [7614 3768 3830]: "Distorting the History Written in Blood Will Not Be Tolerated"]

[Text] The Japanese Education Ministry has distorted the history of Japanese aggression in the course of screening secondary and primary school textbooks in a bid to guide young Japanese onto the wrong road of militarism. However, can certain people in the Japanese Education Ministry succeed in distorting the history written in blood?

It is beneficial to both the Chinese and Japanese peoples, on the 37th anniversary of Japan's unconditional surrender, to recall the history of Japan's aggression against China and the Asia-Pacific region and its disastrous defeat.

Japan launched a war of aggression against China in 1894 and forced the Qing government to sign the Shimonoseki treaty, under which Japan forcibly occupied Taiwan, its offshore islands and the Penghu Islands, all belonging to China. Japan grabbed many colonial privileges in northeast China after the end of the Japanese-Russian War in 1905. Japan annexed Korea in 1910. During World War I, Japan seized German colonial interests in China and the Pacific islands occupied by Germany. A serious economic crisis broke out in the capitalist world in the fall of 1929, and this reached a peak in Japan in 1931. The Japanese Government attempted in vain to find a way out by means of aggression. Back in 1927 the Japanese Cabinet had decided on the guiding principle: "If we want to conquer China, we must first conquer Manchuria and Mongolia. If we want to conquer the world, we must first conquer China." Japan actively prepared for war after that. On 18 September 1931, Japanese forces bombed and destroyed a section of railroad at Liutiaogou near Shenyang, falsely accused the Chinese army of sabotaging the railroad, and proceeded to launch an attack. Due to the nonresistance policy of the Kuomintang government, the Japanese army rapidly occupied the whole of the northeast. This was the "18 September incident" that shook China and the world. Northeast China was then turned into a Japanese colony. Japan set up the puppet Manchukuo in the northeast in March 1932.

After the "18 September incident," Japan proceeded to create an incident in Shanghai on 28 January 1932, launching a large-scale attack. This was the notorious "28 January incident."

Not long after occupying the northeast, the Japanese army intruded into north China and pressed on Peiping and Tianjing. Due to the continued nonresistance policy of the Kuomintang government, Jehol and Chitung were taken under Japanese military control in 1933. In 1935 Japan basically seized political, economic and military control of north China.

On 7 July 1937 the Japanese aggressor army created the "Lugouqiao incident" under the pretext of the "disappearance" of a Japanese soldier during "maneuvers" near Lugouqiao, and then proceeded to launch a large-scale attack. The Japanese aggressor army attacked and occupied Peiping and Tianjin during July, launched a massive attack on Shanghai on 13 August, and entered Nanjing in mid-December, where they perpetrated the Nanjing massacre of peaceful civilians, an atrocity of unparalleled savagery. The Japanese army continued to press forward their attack after that. Shandong, Shanxi, Jiangsu, Anhui, Henan, Guangdong, Hubei, Zhejiang, Jiangxi, Hunan, Guangxi and Fujian Provinces came wholly or partially under the iron heel of the Japanese aggressors.

The Japanese aggressor army practiced a policy of "burn all, kill all, loot all." Everywhere they went they burned, killed and looted, stopped at nothing in doing evil, and committed towering crimes against the Chinese people.

While launching the war of aggression, Japanese imperialism actively prepared for further expansion into Southeast Asia and the Pacific region. A meeting of five ministers (the prime minister and the ministers of the treasury, the navy, the army, and foreign affairs) in August 1936 decided to take as their fundamental policy "aspiring for development towards the south seas" while "assuring" Japan's "position on the East Asia mainland." From September to October 1940, the Japanese Cabinet again decided to "take positive action" to bring the British, French, Netherlands and Portuguese colonies in Southeast Asia into the "new order in east Asia." They clung to their idea of setting up a vast colonial empire known as the "Greater East Asia CoProsperity Sphere," and decided to launch a "greater east Asia war."

Hitler's Germany invaded Poland in September 1939. Japan concentrated its forces on attacking China, so as to "create a favorable situation for a new order in east Asia (including the south)," and in addition signed a tripartite pact with fascist Germany and Italy in September 1940, thus forming the fascist axis of aggression, with each working in concert with the others. Germany attacked the Soviet Union in June 1941. The Japanese privy council passed a decision "not to shrink from war with Britain and America." On 8 December Japan launched a sneak attack on Pearl Harbor and sparked off the undeclared Pacific war. On 9 December Japan occupied southern Thailand and the capital Bangkok, and from Thailand invaded Malaya to the south and Burma to the north. The Japanese Army occupied Manila in January 1942 and the whole of the Philippines in May. The Japanese army occupied Singapore in February and Burma in May. They also occupied Malaya and Indonesia in the same year.

Japan behaved in an extremely arrogant fashion after invading Southeast Asia. In January 1942, Japan, Germany and Italy signed a military agreement carving up the world, by which the vast area from east of India to the American west coast was defined as Japan's "combat" theater. The war criminal Tojo clamored that "the key to the greater east Asia war lies on the one hand in assuring the strategic bases in east Asia and on the other in bringing the areas with important resources under our administration and control." In February the same year, in its decision on "how to make use of the imperial spheres of resources," Japan proposed that "Japan, Manchuria, China, and the southwest Pacific region" should be regarded as "spheres of resources," and "Australia, India and other places" as "spheres of supply," and also formulated a 15-year scheme for plundering resources.

But the beautiful dream was short-lived. Japanese imperialism's rabid aggression and savage plunder aroused the strong opposition of the peoples in the countries that were its victims. Under the leadership of the CPC, the Chinese people waged a persistent anti-Japanese guerrilla war, established a resist-Japan national united front and democratic bases, and dealt stunning blows to the Japanese aggressors. The peoples of Korea and the Southeast Asian countries which had been attacked and occupied by Japan also whipped up anti-Japanese guerrilla warfare. In the Pacific, the Japanese aggressor troops were wiped out at Saipan, Guam, Iwo Jima and elsewhere. Under the common stunning blows dealt by the Chinese people and the peoples of the antifascist allies, Japanese imperialism announced its unconditional surrender on 15 August 1945. The pipedream of Japanese militarism to dominate the Asia-Pacific region was completely smashed.

The Japanese imperialist war of aggression brought painful calamities to the peoples of the Asia-Pacific region and also on the Japanese people. The move of a handful of Japanese militarist elements in vainly attempting to erase this history, which is still fresh in people's memories, will absolutely not be tolerated.

Chongqing Bombing Recalled

HK131504 Chengdu Sichuan Provincial Service in Mandarin 0030 GMT 13 Aug 82

[Summary] On the eve of the 37th anniversary of the victory in the war of resistance against Japan, people of all circles in Chongqing in Sichuan Province exposed the brutal crimes of Japanese militarism by citing the fact that the Japanese troops who invaded China inhumanly bombed Chongqing. They denounced the Japanese Ministry of Education for altering the history of aggression against our country in revising textbooks.

(Yang Shoubai), national CPPCC committee member, chairman of the Chongqing Municipal Federation of Industry and Commerce and former assistant manager of the (Jijincheng) bank, told reporters: "On 3 and 4 May 1939, Japanese troops who had invaded China inhumanly and viciously bombed Chongqing. I am an eyewitness and a victim," he said: "The large-scale Japanese bombing resulted in heavy losses in industry and commerce in Chongqing."

(Jin Ronghan), municipal CPPCC committee member, adviser of the advisory office of the municipal government and former director of the Third Department of the Chongqing Air Defense Headquarters of the Kuomintang, indignantly said: On 3 and 4 May, more than 20 Japanese planes each day dropped large numbers of bombs onto the busiest districts of Chongqing, reducing buildings to ashes. Innumerable people were killed and injured. These hard facts cannot be altered by Japanese militarism.

Zhou Qinhuai, vice chairman of the provincial CPPCC committee and a public figure without party affiliation; and (Pei Chainggui), aged 86, vice chairman of central committee of the Kuomintang Revolutionary Committee and vice chairman of the municipal CPPCC committee, made similar accusations.

They said: "The Chinese and Japanese people must firmly remember the crimes of Japanese militarism in invading China and oppose the revival of Japanese militarism. The friendship between the Chinese and Japanese people must develop from generation to generation."

Henan Forum Raps Ministry

HK120230 Zhengzhou Henan Provincial Service in Mandarin 1100 GMT 10 Aug 82

[Text] The teaching and research section of the history of the CPC under the provincial party school and the office in charge of compiling local party history of the provincial CPC committee held a forum 7 August on the distortion of historical facts about Japanese aggression against China by the Japanese Ministry of Education in approving the revision of history textbooks and embellishing the aggression of Japanese militarism. The participants voiced their great indignation over the distortion of historical facts about the aggression against China and the unreasonable explanation provided by the Japanese Ministry of Education. They held: By ignoring the historical facts, changing aggression against China into "advancing" into China and describing the massacre of the Chinese people as due to the resistance of the Chinese army and people, the Japanese Ministry of Education intends to write off at one stroke the criminal Japanese aggression against China and create public opinion for reviving Japanese militarism. Having cited many facts, the participants condemned the savage acts of the Japanese aggressors carried out mopping up operations in the [words indistinct] area, raping, burning and killing along the way. In Chenzhuang alone, more than 1,900 houses were burned and more than 700 residents were killed. In April 1941, the Japanese aggressors carried out large mopping up operations in the base areas located in Shanxi, Shandong, Hubei and Henan and implemented the brutal policy of "burn all, kill all, loot all" in Neihuang and other counties.

On 12 April during the operations, more than 5,000 armymen and civilians were killed. The distortion of historical facts about Japanese aggression against China by the Japanese Ministry of Education is deceiving the Japanese younger generation and insulting the Chinese people. All participants expressed their resolute support for the just stand of the Chinese Foreign Ministry. They are convinced that the Japanese people and the persons with lofty ideals in the Japanese Government will wage a struggle against the Japanese Ministry of Education and the right wing forces of Japanese militarism. The friendship between the people of China and Japan is an irresistible historical trend.

Shanghai Scholars Blast Change

OW131836 Beijing XINHUA in English 1534 GMT 13 Aug 82

[Text] Shanghai, August 13 (XINHUA) -- The misrepresentation of the facts about Japanese aggression against China in the textbooks passed by the Japanese Ministry of Education was denounced by historians and noted scholars here as a distortion of history and an ill-intended action. Wu Ze, vice-president of Shanghai Society of Historians, said at a forum here yesterday that history brooks no distortion and can never be distorted. The fact is, as ascertained by the international military tribunal in Tokyo, that more than 350,000 Chinese people were massacred by the Japanese aggressors in Nanjing.

During the eight-year war of aggression against China, a total of 18 million Chinese people were killed by Japanese invaders. 53 cities were ruined, which brought losses of property to the Chinese people equal to 50 billion U.S. dollars. At the same [as received], he said, the war also caused disaster for the Japanese people. More than 2.3 million Japanese people died in the war.

The professor said: "The facts should be told to the younger generation of both countries so that they can draw lessons from the bitter history to unite in the struggle against a rising tendency that would damage the friendly relations between the two countries."

Wu Jie, professor of the history department at Fudan University, said that the incident of September 18 and the Nanjing massacre were deleted in the Japanese textbooks published in 1980. This year, the phrase "aggression against China" in the textbooks approved by the Japanese Education Ministry has been changed to "having advanced" into China. "This is a premeditated action, brazenly distorting history," he said.

Zhou Gucheng, Tan Qixiang and Han Shuzhi, also made speeches at today's meeting. They said that it was the duty of Chinese historians to expose the crimes committed by Japanese aggressors in China and oppose the distortion of history by the Japanese Education Ministry.

Japanese Press Reaction

OW141422 Beijing XINHUA in English 1238 GMT 14 Aug 82

[Text] Tokyo, August 14 (XINHUA) -- YOMIURI SHIMBUN and the TOKYO SHIMBUN today published editorials urging the Japanese Government to correct, in the spirit of the joint Japanese-Chinese statement, the mistakes of distorting history in school textbooks.

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YOMIURI SHIMBUN said the problem as it now stands is not whether the Japanese Government should come up with any new policy. It is essential for the prime minister to reaffirm the mutual commitments made in the joint statement and to express Japan's willingness to correct accounts in the textbooks that run counter to the spirit of the statement, the paper said.

The longer the textbook issue remains unresolved, the more awkward will Japan's position become, the paper warned. TOKYO SHIMBUN, said one can never agree with the assertion that China's protest constitutes "interference in Japan's internal affairs."

SANKEI SHIMBUN, which has all along opposed to correcting mistakes in the textbooks [as received], today carried a report on the views expressed by Kihei Kijima, a member of the House of Representatives from the Socialist Party. Kijima said that the Japanese Education Ministry's distortion of history "runs counter to the spirit of the joint statement between Japan and China".

He said that all textbooks in the world describe Japan's war against China as "aggression". This is also the common view of scholars, he noted. Academically speaking, it is also correct to describe the acts of Japan, Germany and Italy during the Second World War as "aggression", he said.

KYODO: JAPAN, PRC DIFFER ON YEN CREDITS

OW160825 Tokyo KYODO in English 0816 GMT 16 Aug 82

[Text] Tokyo Aug 16 (KYODO) -- Japan and China will hold working-level talks on bilateral economic cooperation in Tokyo August 23-24, the Foreign Ministry announced Monday. The ministry said discussions will center on the amount of yen credits Japan is to provide in fiscal 1982 to help promote Chinese development projects.

China in June asked Japan to extend yen 91.2 billion (dollar 348 million) in yen credits in the fiscal year ending next March to help finance six projects, including the Baoshan steel mill project near Shanghai, ministry officials said. The Japanese Government says the amount is too big, and considers an appropriate level would be about yen 65 billion (dollar 248 million).

SRV REPORTEDLY INCREASING ARMS TO KAMPUCHEA

OW151312 Beijing XINHUA in English 1240 GMT 15 Aug 82

[Text] Bangkok, August 15 (XINHUA) -- The Soviet Union has stepped up shipments of tanks and new automatic rifles to Vietnamese troops in Kampuchea, the head of the Thai security said here Saturday. Prasong Soonsiri, secretary-general of the National Security Council of Thailand, said the arrival of the new Soviet arms only "indicates that Hanoi has no intention of pulling its troops out of Kampuchea." He said the Soviets moved new T-54 battle tanks and armoured personnel carriers into Kampuchea last month.

He described the new combat assault rifle as the AKM-47, which has a plastic stock and fires faster and more powerfully than the traditional AK-47. He said the fighting efficiency of the Vietnamese troops in Kampuchea has been eroding. "That is why they need new arms to shore up their battle efficiency," he added.

He pointed out that Thach lied in claiming that Vietnam might in the future invite the Soviet Union to set up military bases in his country. But the fact was well known that the Soviet Union already had such a base at Cam Ranh Bay, about 240 kilometres northeast of Ho Chi Minh City, he said.

Prasong accused Vietnam of sticking to a colonization policy in Kampuchea, and pointed out that Phnom Penh was a "colony" of Hanoi, where everything was under Vietnamese control. All senior "officials" in the Heng Samrin regime spoke Vietnamese while textbooks for school children were also in Vietnamese.

VODK SAYS SRV TROOPS DESERT IN KAMPUCHEA

OW150750 Beijing XINHUA in English 0706 GMT 15 Aug 82

[Text] Beijing, August 15 (XINHUA) -- About 150 Vietnamese troops in Kampuchea have deserted recently because they are unwilling to fight there, according to reports from radio Democratic Kampuchea. A group of about 100 Vietnamese soldiers escaped on July 23 from the garrison in Mondolkiri Province, eastern Kampuchea.

In three days from July 27, fifteen Vietnamese troops in Kompong Thom Province fled Staung County to Tuol Sala Village, Baray County. They told villagers that they were compulsorily recruited to serve as cannon fodder for the Le Duan clique.

On July 28, another 37 Vietnamese troops tried to escape in a group from the battle-fields in western Siemreap Province but only 7 succeeded. The other 30 were taken back when they arrived in Chikreng County. They were tortured and cast into prison.

BELJING ARTICLE REPORTS ON SRV OPIUM TRAFFIC

OW101148 Beijing in Vietnamese to Vietnam 1400 GMT 8 Aug 82

[Station correspondent's article: "Traffic in Opium, a Byproduct of Vietnam's Declining Economy"]

[Text] In recent years the Le Duan clique's propaganda machinery in border areas has claimed that Vietnam's economy has met with difficulties mainly because of the failure to grow poppies. To satisfy the so-called needs of foreign countries, the clique has urged the people in these areas to intensively cultivate this plant. Thus, with the Vietnamese rulers' encouragement, poppy cultivation and opium traffic have developed vigorously while many other trades in Vietnam have declined.

According to a report from Jinping County in Yunnan Province, China, since 1980 the Vietnamese rulers have dispatched a number of opium traffickers to Jinping. The amount of smuggled opium seized by this country's public security forces in 1980 and 1981 was larger than that seized from 1975 to 1979. On 19 March 1982, the public security seized a cache of opium that nearly equaled the total amount seized in 1975.

As revealed by many Vietnamese refugees, the Vietnamese Government lifted the ban on poppy cultivation last year in a number of villages and hamlets in Phong Tho District close to the Chinese border. Vietnamese rural cadres have zoned areas for poppy cultivation. The Vietnamese administration has ruled that a peasant family engaged in growing poppy must pay 1 kilo of opium as tax. In some areas, the per capita tax is 1 liang of opium. Even babies must pay this tax. Opium production is therefore legal in Vietnam and opium traffic has developed feverishly. At present, Vietnamese cadres in border areas are making money through opium smuggling. The higher their ranks, the more intensively their traffic in opium will be carried out through extremely cunning means.

It is not surprising that all Vietnamese refugees have admitted that opium has become a byproduct of Vietnam's declining economy. However, knowledgeable people are aware that more than a century ago the imperialist aggressors waged an opium war against China and were severely condemned for resorting to despicable maneuvers to export opium in order to poison the Chinese people and rob them of their wealth and money. But no one foresaw that more than a century later the Vietnamese rulers of the so-called Socialist Republic of Vietnam would repeat the maneuvers formerly carried out by the colonialists.

Along with their frenzied armed provocations against China, the Vietnamese rulers have used opium as a weapon to poison the Chinese people and have made huge profits by producing and trafficking in opium in order to extricate their country from its current serious economic crisis and to satisfy their aggressive and expansionist ambitions. Their malicious purpose is to kill two birds with one stone. However, because of the war of aggression against Kampuchea, the Le Duan clique has paid an enormous cost in manpower and wealth. The war burden is speeding up the collapse of Vietnam's inherently unstable economy. Although Vietnam has suffered a deficit for several consecutive years while being up to its ears in debt, the Le Duan clique has not yet changed its line and relinquished its policy of regional hegemonism and aggressive expansionism. On the contrary, it has continued to dash along the same track and to stubbornly tie Vietnam to the war chariot of Soviet expansionism.

In order to maintain its huge military machinery, with its more than 1 million troops, and to make up its huge financial deficit, the Le Duan clique, in addition to frantically exploiting the Vietnamese people, is seeking to make money illegally by trafficking in opium. This is like giving a seriously ill person an injection of morphine; this can only soothe his pain temporarily, not cure his disease and save his life.

It is obvious that while other trades are declining, only the opium traffic is prospering and is seen as the best remedy for Vietnam's declining economy.

INDIA COMMEMORATES 35TH INDEPENDENCE DAY

OW150842 Beijing XINHUA in English 0822 GMT 15 Aug 82

[Text] New Delhi, August 15 (XINHUA) -- Indira Gandhi today celebrated its 35th Independence Day with Prime Minister Indira Gandhi unfurling the national flag on the ramparts of the historic Red Fort. In her speech devoted mainly to the internal situation, Mrs. Gandhi repeatedly referred to the threats being posed to the country's unity and sovereignty by elements whose sole objective was to create hatred among different religions, castes and regions and thus weaken the nation. She called for a concerted effort to maintain unity of this ancient sub-continent to preserve the hard-earned freedom.

Mrs. Gandhi appealed to the people, particularly the youth, to inculcate in them a sense of service and sacrifice, which was demonstrated by the nation during the struggle for freedom. On the eve of the Independence Day, President Zail Singh made his first broadcast to the nation since his election a month ago. He noted that the country had made rapid progress since 1947 but its pace had to be quickened. He said: "In recent years we have successfully launched many schemes for the benefit of the poor and the down-trodden with encouraging results." He added: "There is still a long way for us to travel for the removal of poverty, hunger, unemployment and disease and for raising further the living standards of our people."

PRC, BANGLADESH SIGN CULTURAL EXECUTIVE PROGRAM

OW131240 Beijing XINHUA in English 1206 GMT 13 Aug 82

[Text] Beijing, August 13 (XINHUA) -- An executive program under the agreement for cultural cooperation between the government of the People's Republic of China and the government of the People's Republic of Bangladesh for the years 1982 and 1983 was signed here today. Lu Zhixian, Chinese vice-minister of culture, and M.M. Rezaul Karim, Bangladesh ambassador to China, signed the program on behalf of their respective governments. Chen Xinren, advisor to the Ministry of Culture, was present at the signing ceremony.

NEPALESE KING DEFENDS PEACE ZONE PROPOSAL

OW140830 Beijing XINHUA in English 0802 GMT 14 Aug 82

[Text] Kathmandu, August 14 (XINHUA) -- Nepal's proposal to declare itself a zone of peace is motivated with the desire to ensure peace and tranquillity in the region and the world, King Birendra said here yesterday, according to RSS. The king said this while receiving credentials from ambassador of Yugoslavia.

The king observed that the Nepalese people strongly believe that their national development is inseparably linked with peace. "That is why Nepal, while launching all out efforts for development, also sincerely works for the cause of peace," he said.

The king noted that the Non-Aligned Movement has developed into a strong force in the world in favour of peace and equitable economic cooperation. However, he added, the Non-Aligned Movement is also facing many new challenges which call for greater dynamism and dedication among all non-aligned countries.

"We have no doubt that the principles of non-alignment which were enunciated more than two decades ago, are equally valid in the present context," the king said.

PRC MAGAZINE VIEWS WEST GERMAN-U.S. RELATIONS

HK090354 Beijing GUOJI WENTI YANJIU in Chinese No 3 Jul 82 pp 29-33

[Article by Mei Rong [2734 2837]: "Current German-U.S. Relations"]

[Text] After World War II, German-U.S. cooperation was heralded as "the cornerstone of the Atlantic Alliance." But recently, especially since Reagan's coming to power, there have been frequent disturbances in German-U.S. relations. The heated disputes and the wide divergences have reached an extent not seen since the war. As the two strongest powers in the Western bloc, the fierce wrangling between them has gained the focus of attention of world opinion.

All Kinds of Differences

At present, the main divergences between the two sides are manifested as follows:

1. How to estimate the "achievements" of the policy of detente? The Soviet Union has intensified the deployment of SS-20 MRBM's, outrageously dispatched troops to invade Afghanistan and supported the practice of martial law in Poland. Against this background, West Germany has admitted that detente has suffered setbacks, but it still insists that detente has stabilized the situation in Europe and has brought three favorable conditions to the West, particularly West Germany. First, it has promoted the tide of reform and peaceful evolution in East Europe, stimulated the trend of independence and movement away from the Soviet Union, and provided political and moral means to the West for putting pressure on the Soviet Union. Second, it has provided economic benefits to Western Europe, particularly West Germany, opened up an important commercial market for the West and increased the supply of raw material and energy. Take, for example, trade between West Germany and the Soviet Union. From 1970 to 1980 the total amount of trade between the two countries increased from DM23 billion to DM153 billion, increasing by 500 percent. Third, it has loosened relations between East and West Germany, allowing millions of people from West Germany to visit East Germany every year. This has alleviated the suffering among the Germans caused by the split of Germany, helped to maintain the sense of national unity of the people of East and West Germany, improved the situation of West Berlin and cooled down this crisis hotbed.

The Reagan Administration differs with the above opinions. Although it has not openly given up the detente policy, up to now it still holds an attitude of deep suspicion toward the detente policy; in fact, it holds that so far, the detente policy has failed, or at least the West has lost more than it has gained. Its thesis is: The Soviet Union has taken advantage of detente to gain a large amount of capital, technology and equipment, thus enabling it to divert more effort to expanding armaments, penetrating and extending toward the Third World and putting the West in an unfavorable strategic situation. The Soviet Union has strengthened its penetration of Western Europe in the course of detente and has especially promoted the trend of "neutralization" in West Germany, thus playing a role in disintegrating the Western alliance. Although the West has provided about \$800 billion in loans to the Soviet Union and Eastern Europe, it has been unable to get any member of the Warsaw Pact organization to draw closer to the West.

2. There are different opinions on the "balance of power" of military forces of the East and West. In particular, emphasis on NATO's "dual decision" differs. When Reagan came to power, the very first thing he stressed was to increase strength as a top priority task for the West in order to gain parity with the Soviet superiority in SS-20 missiles. Therefore, he advocated deployment first and negotiation second, and the negotiations should have "linkage" with the Soviet Union's behavior throughout the world. On the other hand, West Germany claims that deployment and negotiation should have "equal weight" and neither should be overemphasized at the expense of the other.

As a matter of fact, West Germany wants to emphasize the negotiations. Under the pressure of West Germany and the Western European allies, the United States was forced to agree to negotiations with the Soviet Union on reduction of nuclear weapons in the European theater starting at the end of last November. It also had to accept the idea of West Germany and put forward the famous "zero option." But they have completely different plans in mind: The United States aims at deployment; it wants to balance the military forces by augmenting their strength, striving to gain superiority under the guise of negotiations; whereas West Germany regards deployment as a measure for pressing the Soviet Union to make concession, and seeks to gain no or less deployment through negotiations and a "low-level balance of power." That is why West Germany urged the United States again and again to hold "serious negotiations," while the United States was appeasing West Germany and trying to constantly show "sincerity for negotiations."

Particularly noteworthy is the fact that in the course of the dispute, the public opinion of both sides suspect each other, and even rake up the past and attack each other. As regards Chancellor Schmidt's pressing the United States to negotiate with the Soviet Union and his proclaiming himself to be an "interpreter" between the two superpowers, certain U.S. political circles, periodicals and public opinion ask West Germany if it is trying to play the card of "neutrality" between the Soviet Union and the United States. Some articles even urge a withdrawal of U.S. military forces from West Germany to let that country rely on the Soviet Union's "good will". On the other hand, the "leftwing" of the Social Democratic Party of West Germany and its public opinion have also seized on Reagan's talk with correspondents last winter on the "possibility of a limited nuclear war in Europe" between the two superpowers and have asked whether the United States is trying to turn West Germany into a nuclear battleground to prevent U.S. territory from being attacked. Mr Gauss, the former representative of West Germany to East Germany, even asked NATO to restore the "strategy of massive retaliation" in order to constrain the United States from slipping in critical moments or limiting the battlefield to Europe. Although these polemics between West Germany and the United States do not fully represent the governments of the two sides, they are by no means without a background.

3. Is it necessary to apply economic sanctions against the Soviet Union? After Poland instituted martial law, the United States stressed that the Soviet Union was the backstage boss and declared economic sanctions against the Soviet Union. It also asked its allies to act in response, attempting to put pressure on Poland to abolish martial law, allow the legal existence of the "Solidarity" trade union and restore dialogue. But West Germany refused to take part in the economic sanctions. Its reasons are: Economic sanctions cannot prevent the Soviet Union from expanding armaments. On the contrary, it will create a "siege mentality" by which it can intensify its control at home, force the people to tighten their belts, further worsen East-West relations and make the West incapable of affecting the internal affairs of Eastern Europe. Schmidt declared in public: Since the West has never been able to respond practically to military intervention within the Soviet sphere of influence, it would be better to give the matter further thought and seek to transform the reality of the Warsaw Pact through peaceful evolution within Eastern Europe. Although this method of evolution has been suppressed by Soviet military force many times, the West should not lose faith because the inherent weaknesses of the Soviet system make it impossible for the Soviets to prevent the people's desire for reform. The development of economic cooperation between East and West makes it possible for the Soviet Union to seek help from the West; it is precisely Western influence on Eastern Europe that has caused this evolution, and it is also an important measure in deterring the Soviet Union from using force for its economic interest.

The Reagan administration has no faith in the so-called "theory of evolution" proposed by West Germany. On the contrary, it is stepping up efforts to put pressure on West Germany to abandon the gas pipeline deal, which had been discussed between West Germany and the Soviet Union for a long time. The U.S. side points out: This huge deal may lead West Germany to "dangerously rely" on the Soviet Union for energy and place it in a situation of being blackmailed politically, therefore affecting its reliability in the alliance. What is more, if this cooperation is realized, then starting in 1984 the Soviet Union can gain a large amount of foreign currency in selling natural gas every year, enabling it to further expand armaments and build more missiles to deal with the West. On the one hand, West Germany has tried to provide an explanation: If this project is accomplished, the natural gas imported from the Soviet Union will amount to only 30 percent of West Germany's total consumption of natural gas and will only account for 5.5 to 6 percent of its total energy consumption. This will not place West Germany in a "dangerous situation of dependence on others." This deal can also bring about many orders, so it is favorable for reducing unemployment and promoting social stability. On the other hand, West Germany has asked the United States in reply: If you want to give the Soviet Union a deadly blow, the best and most effective way is to stop the sale of grain to the Soviet Union. Why is it that the Reagan administration rescinded the embargo decision of the Carter administration?

4. How to hold back the Soviet Union's penetration and expansion in the Third World? When analyzing the turmoil in the Third World countries, the Reagan administration frequently "draws a line against the Soviet Union," simply attributing the cause of the turmoil to the penetration and meddling of the Soviet Union and its agents. As a countermeasure, it resorts to supporting military dictatorships and pays particular attention to the means of adopting military oppression. The U.S. practice in El Salvador is an example. West Germany holds that the fundamental reason for the turmoil in these countries is the wide gap between the rich and the poor and unjust distribution in society. The meddling of the Soviet Union and its agents should be a secondary factor. The West should help these countries to gradually carry out reforms in order to prevent radical armed struggle and thereby reduce or eliminate the possibility of Soviet meddling and enable the West to expand its influence by relying on its economic and technical superiority. Therefore, West Germany advocates supporting the pro-Western "democratic forces" and opposing the notorious military dictatorships supported by the United States.

5. Conflict of interests in economic policies. In order to control inflation in the United States, the Reagan administration has pursued a policy of high interest rates, causing an outflow of capital from West Germany and a devaluation of the mark. This is a grave blow to West Germany at a time when it is urgently in need of capital to stimulate investment and solve the problem of unemployment. If West Germany cannot revive its economy, the unemployment rate is bound to increase and cause social turmoil and an unstable political situation. Consequently, West Germany has demanded that the United States cut interest rates. Schmidt has said that the high U.S. interest rates have had a "destructive influence" on West Germany and are "unacceptable." The United States has ignored this West German demand and has continued to go its own way.

Source and Essence

The development of the contradictions between West Germany and the United States is not an accidental and isolated matter. The source is that both countries differ in strategic position, military strength and politics and economy, which also reflect the current intensifying contention between the Soviet Union and the United States. There are many reasons for the above-mentioned differences of view, and they are intricate and complicated. They are mainly shown below:

1. The military strength of the two countries differs immensely, and the strategic aims they seek also differ. The United States regards pursuit of world hegemony as its task; Reagan often proceeds from the contention for hegemony between the two superpowers. He feels that detente weakens the U.S. strategic position. Meanwhile, West Germany seeks the establishment of a "multipolar world" to attempt to gain more room for maneuver among the keen competition between many different forces, and is also more concerned for relative tranquillity in Europe. As a superpower, the United States will certainly not be reconciled to being in a defensive situation strategically but will try to offset or even surpass the Soviet Union militarily in certain respects. While West Germany is more concerned about the "balance" of forces in the East and West, it fears the Soviet Union's maintaining and increasing its military superiority. But, at the same time, West Germany is also unwilling to see the United States trying to prevail over the Soviet Union, which causes an unlimited escalation of the arms race. As a nuclear power, the United States is always trying to conduct a foreign policy dependent on its military strength, while West Germany, being a vanquished nation and possessing no nuclear weapons, conducts a foreign policy relying mainly on its economic and technical strength. Therefore, the two countries place a different emphasis on the issue of what kind of method to apply in the contest with the Soviet superpower. All these differences are important reasons why the two countries have differences over the policy of detente and disarmament.

2. The situations of the two countries, including the conditions of the people, are also different. West Germany is situated on the frontline of the two great military blocs of East and West confronting each other. German territory has the greatest concentrations of nuclear weapons and conventional troops. In relations between East and West and the problem of West Berlin, West Germany is controlled by the Soviet Union. Therefore, in any deterioration in East-West relations, West Germany will be the first to suffer, and should war break out, Germany is sure to be a battlefield.

Due to this kind of situation, on the one hand, West Germany needs the nuclear deterrent and the protection of U.S. troops stationed there. On the other, it has to do its utmost to keep in touch with the Soviet Union in detente and to actively promote "dialogue" between the United States and the Soviet Union. Schmidt has stressed again and again, the more tension and the more dangerous the international situation, the more we have to keep open the channels for dialogue between East and West. In the opinion of West Germany, the foreign policy of "transcendence" practiced by the two superpowers in sacrificing the interests of West Europe must be opposed. But tension in relations between the Soviet Union and the United States may also leave West Germany with scarcely any room for maneuver. Provided the "atmosphere" of relations between the Soviet Union and the United States preserves detente, West Germany can benefit and maneuver between the two. The weakness of West Germany in notwithstanding the Soviet Union is always exploited by the Soviet Union, and it is therefore suspected by the United States.

Moreover, along with the increasing factors of war and the intensifying contention of the two superpowers, the mentality of fear of war among the German masses, who have experienced two world wars, is increasing and a mammoth peace movement has appeared. The Schmidt government is greatly constrained by these actions and forced to show more solicitude for the sentiments of the masses in its strategy. On the other hand, Reagan came to power following the events in Iran and Afghanistan, when public opinion demanded a rallying of forces and a tough attitude toward the Soviet Union in order to turn the tide in favor of the United States. Recently, there has been a rapid development of the peace and antinuclear movement in the United States. But the majority of the masses still hold that the Soviet Union is the greatest menace to the country and should be treated seriously. Against such a background, the tone of the German-U.S. tune toward the Soviet Union does not sound in harmony.

3. The two countries differ in ideas on the advantages and disadvantages in developing economic relations between West and East. West Germany is a trading nation. One out of every four employees is engaged in import and export trade service; most of the raw materials and energy have to be imported from abroad. Therefore, its dependence on other countries is far greater than that of the United States. Historically, the Soviet Union and East Europe have been the traditional market for West Germany, and now West Germany is also one of the biggest Western trading partners of the Soviet Union. The country is the main market for a number of West German products. For instance, the number of automatic lathes exported to the Soviet Union accounts for 64.5 percent of the total output of these products in West Germany, and heavy caliber steel tubing 60 percent. Trade between West Germany and the Soviet Union provides employment for several hundred thousand West Germans. As to raw materials and energy, West Germany relies to a certain extent on the Soviet Union for the enriched uranium it needs for nuclear power stations, natural gas and several rare metals. Comparing this with the United States, not only does that country need no energy from the Soviet Union, but its industrial exports there are insignificant in U.S. foreign trade. Therefore, West Germany maintains, the United States is carrying out an embargo against the Soviet Union in industrial products, and except for grain, this kind of sanction policy not only lacks conviction, but it causes more harm to West Europe, particularly West Germany, than it does to the Soviet Union.

4. Owing to the transformation of the nuclear balance between the Soviet Union and the United States, West Germany's suspicions about the reliability of the U.S. nuclear umbrella have increased. After World War II, the nuclear umbrella and the U.S. troops stationed in West Germany were always considered a secure and reliable assurance to West Germany. However, along with the bringing into balance of the strategic nuclear forces between the two superpowers and the dissension sown by the Soviet Union, West Germany is becoming more and more suspicious about whether the United States is willing to risk the danger of being attacked by the Soviet Union and use strategic nuclear weapons to defend Western Europe. In 1977, with the revelation of the 10th memorandum of the U.S. President on the U.S. intention to give up one-third of West Germany's territory in case the Soviet Union launches a war in Europe, the government and the public of West Germany lodged strong protests against the United States. In 1979, when Schmidt agreed to the deployment of land-based MRBM's by the United States, one of his motives was to bind America. But after Reagan's speech on the possibility of limited nuclear war in Europe, certain press circles in West Germany were worried that the United States was attempting to "Europeanize" nuclear war, so West Germany became less and less confident in America.

5. The transformation of the balance of strength between West Germany and the United States increased West Germany's self-confidence and urge to maintain independence and keep the initiative in its own hands. From the end of World War II to the 1960's, the United States was always the head of the Western alliance and regarded West Germany only as a small partner. From the 1970's, West Germany's economic strength further increased. At present, it has the largest foreign currency reserves in the world and is second in the world in gold reserves. Especially when West Germany signed the treaty with the Soviet Union on the mutual non-use of armed force and established normal relations with Eastern Europe, it was not willing to be controlled by the United States. It demanded equal status with the United States, and its demand for maintaining independence and keeping the initiative in its own hands was enhanced. In August 1980, in a talk with a journalist of KOELNER STADTANZEIGER, Schmidt said: Current West Germany-U.S. relations are quite different from those of 15, 20 or 25 years ago. At that time, West Germany "was in a subordinate position." Now it is a major partner of the United States. West Germany cannot "accept any U.S. standpoint unconditionally and without criticism." On another occasion, Schmidt told an American journalist: West Germany and the United States have "different interests." The United States should treat the European allies as "equal partners," and the European allies will refuse to "completely agree with the U.S. standpoint without prior consultation after hearing the ambiguous and vague opinions of Washington."

It is quite obvious that West Germany wants to think independently, go its own way and safeguard its own interests. It does not want to submissively obey the United States.

6. Both countries face different kinds of problems in economic policy and have different ways of dealing with them. Each tries to shift its troubles onto others in order to protect its own interests. Since the 1970's, the economies of the Western countries further proceeded from slowdown toward stagnation and decline. According to its own conditions, each country has the following two methods of dealing with and overcoming the crisis: The first one is countering inflation, the main method used being to curtail currency growth, raise interest rates and restrict consumption, etc.; the other method is to mainly solve unemployment and adopt measures to increase public spending and reduce interest rates in order to stimulate investments, promote economic expansion and provide more employment opportunities for the unemployed. Both methods have their advantages and disadvantages: The former will increase unemployment while the latter will intensify inflation. Up to present, none of the Western countries can think of a method that can satisfy both sides. Therefore, there is always the phenomena of attending to one thing and losing sight of another, a heap of problems that require solving and constant swaying between the two. In the Carter period, the United States mainly tried to solve the unemployment problem, whereas West Germany was trying to check inflation. Therefore, the United States wanted West Germany to stimulate its economy and play "the role of locomotive" to lead the West out of economic troubles. This was refused by West Germany. Today, Reagan is dealing mainly with inflation, while West Germany has to solve the problem of unemployment. The two countries have changed their role.

Trends and Prospects

Will the contradictions between West Germany and the United States help the development of neutralist trends in West Germany or lead West Germany to separate from the Western camp one day? This is a problem frequently raised by international public opinion. If we comprehensively view the relations between the two countries, the answer is negative. We should say that the unity between the two countries in resisting the Soviet Union will still be the leading aspect of their relationship in the near future. Although their differences are acute in some matters, after all, they are only secondary. This is because the social systems and the sense of being of the two countries are the same. What is more, their unity in resisting the Soviet Union is the fundamental interest of both sides.

Strategically, the two sides need each other, and neither can do without the other. West Germany is situated in an important strategic position. It has solid economic and technical strength and a great military potential. Therefore, it is an important U.S. ally in Western Europe. The United States has stationed 230,000 conventional troops and stored 6,000 tactical nuclear warheads in West Germany. According to the NATO decision on strengthening armaments, from 1983 572 MRBM's will be deployed in Western Europe, with the greatest number in West Germany, including 108 Pershing-II missiles and 98 cruise missiles. West Germany is a U.S. outpost in coping with the Soviet Union. West Germany has provided NATO with 500,000 well-equipped ground forces and a considerable navy and air force, thus forming a hard core of NATO in Europe. Some people say that the United States and West Germany are the two pillars of NATO and this is no exaggeration. From a certain point of view, if the United States loses West Germany, it would mean losing the whole of Western Europe. If it loses Western Europe, the U.S. strategic situation will fundamentally change. Therefore, the United States will never abandon West Germany and will never allow West Germany to become "neutral." On the contrary, in a different sense the United States is also indispensable to West Germany.

In addition to the U.S. nuclear umbrella and troops which are a guarantee for West German security, the United States also has the "responsibility" in the reunification of Germany. Meanwhile, the United States is the supreme power in West Berlin. If West Germany wants to withstand Soviet pressure on the German and West Berlin problems it cannot do so without the U.S. Furthermore, the detente would be out of the question.

Economically, the capital of the two countries penetrates each other. According to the figures of the "Modern Commerce Studies" published in August 1981 by the Economic Analysis Bureau of the Commerce Department of America, up to the end of 1980, American investment in West Germany amounted to \$15.39 billion, 7.2 percent of the total (213.4 billion) U.S. overseas investment. This proportion is tending to increase. Half the electronics industry of West Germany is managed by the American capitalists. On the other side, West Germany's investment in the United States reached \$5.29 billion, about 8 percent of total foreign investment (65.48 billion) in the United States. This kind of economic situation, with each relying on the other, binds them in a common cause.

On the feelings of the people in regard to confronting the aggressive menace of the Soviet Union, the majority of West Germans support NATO and agree to an alliance with the United States. According to a poll conducted in 1981 in five West European countries by the USICA, it was found that 65 percent of the West Germans support NATO, far more than in the United Kingdom (59 percent), the Netherlands (56 percent) and Italy (50 percent), countries which are well-known for intimate relations with the United States. A Gallup poll in 1982 shows that in the proportion of "very good" or "fairly good" impressions of America, West Germany was also the first among European allies. More important, among the main political parties in West Germany, except the "left wing" of the Social Democratic Party and the Free Democratic Party, which have anti-U.S. feelings, the rightist leaders of the Social Democratic Party and the Free Democratic Party and the Christian Democratic Union and the Christian Social Union all stand firmly by NATO and agree with alliance to the United States.

As a matter of fact, it is the overall unity in resisting the Soviet Union that demands that each of the two sides, after acute argument, makes a concession and reaches a compromise. For example, in the MRBM negotiations, the United States has in fact given up the principle of "linkage," while West Germany guaranteed again and again that up to 1983, if there are no results in the negotiations, it will agree to the deployment of MRBM's in West Germany. On the Poland problem, the United States has approved of West Germany not taking part in economic sanctions against the Soviet Union. West Germany has also accepted the standpoint that the Soviet Union should "be responsible" in the Poland problem. On the gas pipeline deal, although the United States has retained its attitude of opposition, it still allows West Germany to carry on with its implementation. In this case, the Soviet attempts to draw West Germany to its side and intrigue to wreck the U.S.-German alliance is in vain. Anyhow, the German-U.S. contradictions are bound to come and go and give the Soviet Union an opportunity to exploit an advantage, thus causing more acute contention between the United States and the Soviet Union over West Germany.

ISRAELI PLANES AGAIN BOMBARD WEST BEIRUT

OW131834 Beijing XINHUA in English 1528 GMT 13 Aug 82

[Text] Beirut, August 12 (XINHUA) -- The Israeli authorities again sent war planes to bombard west Beirut today as the negotiations on the evacuation of the Palestinian guerrillas are within sight. The 11-hour bombardment started from 6 a.m. It was the most violent air raid on west Beirut since Israel invaded Lebanon in early June.

According to the Palestinian news agency, the Fakihani and Sabra refugee camps, where the PLO was headquartered, were completely destroyed. 500 Palestinian fighters were either killed or wounded during the bombing.

Lebanese President Ilyas Sarkis and Prime Minister Shafiq al-Wazzan discussed the worsening military situation with U.S. envoy Philip Habib this morning, angrily denouncing Israel's military blackmail. Al-Wazzan held Habib and the United States responsible for the extermination of Beirut. He pointed out that in the interest of a peaceful settlement of the Beirut crisis, the Palestinian people have done everything they could to meet every demand from Lebanon. The prime minister also questioned the reason of Israel's new massacre, which took place after the PLO had decided to pull out from Beirut. He announced that Lebanon cannot continue the negotiations under Israel's military blackmail.

U.S. ambassador to Israel today warned Israeli Prime Minister Menahem Begin that the United States will call back its envoy and stop the political negotiations if Israel does not halt its military action. The Israeli Cabinet held a special meeting this afternoon to discuss further action in Lebanon. Israeli radio reported that the Cabinet meeting was the "most difficult" one. An Israeli deputy prime minister and the minister of internal affairs reportedly expressed their open objection to the successive bombardments on Beirut which were masterminded by Israeli Defense Minister Ariel Sharon.

PLO REJECTS NEW ISRAELI WITHDRAWAL CONDITIONS

OW142104 Beijing XINHUA in English 1620 GMT 14 Aug 82

[Text] Beirut, August 14 (XINHUA) -- A senior PLO official announced today that the Palestine Liberation Organization rejects Israel's new conditions for evacuation but sticks to the political agreement reached with the Lebanese Government and U.S. envoy Philip Habib. Abu Iyad, member of the Central Council of the PLO, claimed in an interview with French newspaper that the PLO refuses to offer names of the Palestinian evacuees to Israel. He reiterated that the PLO's refusal to accept Israel's new conditions does not mean it has changed the decision to pull out of Beirut.

The Beirut paper AS-SAFIR today quoted diplomatic sources as saying that Israel's five new conditions may put off the evacuation of the Palestinian guerrillas from Beirut.

The new conditions are:

- 1) Israeli rejection to the acceptance of international observers to supervise the ceasefire;
- 2) Israeli rejection to the deployment of the multi-national force in Beirut prior to the evacuation of the Palestinian fighters;
- 3) Israeli demand for the departure [words indistinct] Palestinians who have lived in Lebanon since 1948;

- 4) Israeli demand for the release of the captured Israeli pilots; and
- 5) Israeli demand for the exchange of nine corpses of Israeli soldiers.

The paper said that the leaders of the Palestine Liberation Organization have unanimously decided not to make any new concession even if it leads to the break-up of the political agreement.

XINHUA VIEWS LEBANESE CRISIS, ISRAELI AIMS

OW131239 Beijing XINHUA Domestic Service in Chinese 1627 GMT 12 Aug 82

[Commentary by XINHUA correspondent Wan Guang: "Lebanese Crisis and Israel's Ambitions"]

[Text] Cairo, 12 Aug (XINHUA) -- People here in Cairo believe that the withdrawal of Palestinian resistance forces from west Beirut does not necessarily mean the end of the Lebanese crisis and easing of the contradictions between Palestine and Israel. Israel will continue its military occupation of Lebanon, and Lebanon will continue to face turmoil and even the danger of dismemberment. The Arab world will face even greater threats, and the entire Middle East will find itself in greater unrest.

Israel may drive all Palestinian fighters out of west Beirut, but it cannot evict the 500,000 Palestinian refugees in Lebanon. The Israeli military authorities on 22 July admitted that there were hundreds of Palestinian guerillas operating in southern Lebanon with the support of the local people. In Tripoli, in northern Lebanon, there are thousands more Palestinian fighters. It is said that in the Bekaa Plain, which is under the control of the Syrian forces, there are 10,000 more Palestinian fighters, including veterans who withdrew from southern Lebanon and Palestinian volunteers who came from other countries.

Yasir 'Arafat, chairman of the Executive Committee of the Palestine Liberation Organization [PLO] has repeatedly expressed willingness to recognize Israel's right of existence. The Begin regime, however, has refused to recognize the PLO, threatening to annex eventually the West Bank and Gaza. The United States has also refused to have a direct dialogue with the PLO and to recognize the Palestinian people's right to self-determination. U.S. Secretary of State Shultz was said to be ready to talk about Camp David autonomy, but even Egypt has pointed out that he would have nothing to talk about.

What the United States has done in collaboration with Israel is to forcibly compel the PLO to withdraw from west Beirut in accordance with conditions and a time limit they have set. On the other hand, they delayed the Israeli troops' withdrawal until the so-called restoration of central government power in Lebanon. All this has created favorable conditions for Israel to realize its aggressive ambitions.

Public opinion has indicated that the Israeli troops will continue to occupy Lebanon for a while. The Israeli aggression against Lebanon is not only aimed at wiping out or driving out the Palestinian forces, it is also aimed at putting the Lebanese government under its control or, at least, at putting some areas in southern Lebanon under its permanent occupation or virtual control and weakening as much as possible the Syrian forces in Lebanon or even driving them out of the country. It seems that Israel will not withdraw from Lebanon willingly until it has basically attained these goals. The Israeli military authorities have already declared that they are preparing the aggressor troops for the winter. Israel has removed the local Lebanese administration in some places in southern Lebanon by establishing an occupation regime with civilians replacing the military personnel.

As for Saida and some other southern Lebanese cities, Israel has newly constructed a highway leading to Lebanon. Israeli money has been circulated in the occupied areas in Lebanon while Jewish goods are pouring in. Israel has also claimed that "historic relics" indicating that Saida paid tribute to Israel in the past have been found. All these are signs that Israel is trying to occupy Lebanon, particularly its southern areas, over a protracted period. Authoritative sources here believe that Israel's attack on the Palestinian forces is aimed at annexing the West Bank and the Gaza Strip and controlling Lebanon, at least its southern part. It is only part of the "greater Israeli plan."

The press in Egypt and many other Arab countries has expressed the worry that the crisis in Lebanon will also spread to other Arab countries if Israel is allowed to go unbridled in pursuit of its objectives under the U.S. aegis. Taking advantage of the split in the Arab world, the two superpowers, the United States and the Soviet Union, are intensifying their struggle to expand their spheres of influence in the Middle East. Some Arabs think that the next 10 years may be the "Arabs' most dangerous years." However, not a few Egyptians believe that the failure and humiliation will awaken people and inspire them to work hard and unite, although it will mean going through more suffering and through a tortuous course.

AFP: AFRICAN STUDENTS AT EMBASSY BURN DOCUMENTS

OW150532 Hong Kong AFP in English 0517 GMT 15 Aug 82

[Excerpt] Beijing, Aug. 15 (AFP) -- A group of Central African students occupying their country's embassy here for almost a week set fire to documents and other materials in the embassy today. The students said it was a "warning" to Nicolas Bengue, the embassy's charge d'affaires, for his refusal to relay their grievances to the Central African capital of Bangui.

The four youths took over the embassy last Monday to protest the non-payment of their scholarship money from their government, and barred Central African and local staff from entering the building. The students stacke up a photocpier, typewriters and other documents in the embassy courtyard and set fire to them. They indicated the burnt articles came from the office of Mr. Bengue, the only Central African diplomat currently in Beijing. Ambassador Auguste Mboe is on leave back in his country.

"This is a warning for his refusal to show up at the embassy and relay our messages to Bangui," one student said. During the week Chinese authorities had asked the students to leave the embassy but they refused.

LIBYA'S AT-TALHI TO ARRIVE ON VISIT 16 AUG

OW150322 Beijing XINHUA in English 0250 GMT 15 Aug 82

[Text] Beijing, August 15 (XINHUA) -- Jadallah 'Aziz at-Talhi, secretary of the General People's Committee of the People's Bureau of the Socialist People's Libyan Arab Jamahiriya, is arriving here tomorrow for an official visit to China at the invitation of the government of the People's Republic of China.

PRC TO SEND FOURTH MEDICAL TEAM TO NIGER

OW142102 Beijing XINHUA in English 1535 GMT 14 Aug 82

[Text] Beijing, August 14 (XINHUA) -- A protocol on sending the fourth Chinese medical team to Niger was signed in Niamey, Niger's capital, Thursday. A report from Niamey said that the protocol was signed by the Chinese charge d'affaires ad interim and the secretary general of the Niger Ministry of Foreign Affairs and Cooperation on behalf of their respective governments.

The secretary general praised Chinese doctors' enthusiasm in serving the Niger people and was satisfied with medical cooperation between the two countries.

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CHINA
PRC NATIONAL AFFAIRS

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STATE COUNCIL REMOVES VICE CHEMICAL MINISTER

OW131316 Beijing XINHUA Domestic Service in Chinese 1153 GMT 13 Aug 82

[Text] Beijing, 13 Aug (XINHUA) -- The State Council adopted a resolution on 11 August taking disciplinary action against Comrade Yang Yibang and removing him from his post.

The resolution points out: In carrying out economic and foreign affairs activities during the second half of 1978 and 1979, Comrade Yang Yibang, vice minister of chemical industry, failed to earnestly conduct investigations and study and ignored the reference materials and advice offered by the departments concerned. He carried out various activities abroad without going through the Chinese organs stationed in foreign countries and repeatedly violated discipline. He left himself at the mercy of foreign businessmen, yielded to their demands, extorted and accepted bribes in disguised form, violated the state rules and regulations for guarding security and brought tremendous losses to the prestige and economic interests of the state.

The State Council resolution pointed out: Comrade Yang Yibang's errors are serious. In view of his good work and achievements in the past and his efforts to conduct self-examination and see his own mistakes, the State Council decided to take disciplinary action against Comrade Yang Yibang on the basis of the principle of "learning from past mistakes to avoid future ones and curing the sickness to save the patient" and, on the recommendation of the Central Discipline Inspection Commission, by removing him from his post as vice minister of chemical industry. Comrade Yang Yibang should learn a lesson from this mistake, strengthen his party spirit, and raise his ideological level. It is hoped that he will score new achievements in the future.

HIJACKED CAAC FLIGHT CREW MEMBERS HONORED

State Council Decorates Crew

OW140900 Beijing XINHUA in English 0840 GMT 14 Aug 82

[Text] Beijing, Aug 14 (XINHUA) -- The State Council has conferred orders of merit on eight crew members who foiled an airplane hijacking attempt on July 25.

According to the citation issued on August 12 by the State Council, orders of merit, special class, were awarded to 52-year-old Captain Yang Jihai, 39-year-old co-pilot Yan Wenhua, 34-year-old air mechanic Liu Zhaoxian, 30-year-old radio operator Miao Xueren, 33-year-old navigator Huang Zhenjiang and 36-year-old purser Xu Kemin. Stewardesses Jia Zhimei and Gai Shenglan, both 21, were given orders of merit, first class.

At the same time, the crew, headed by Captain Yang Jihai, was conferred the title of "heroic CAAC crew" by the State Council, and Yang Jihai was given the title of "anti-hijacking hero". In addition to orders of merit given by the State Council, the crew will receive wages increases and rewards.

The State Council praised the crew members for their high sense of responsibility, saying they waged a resourceful and courageous fight in capturing the five hijackers alive and landing the plane with all passengers safe.

The State Council's citation said that the brave action of the crew members shows their deep love for the party and socialist motherland. The crew exhibited the noble moral character of revolutionary heroism in protecting the lives of the passengers and maintaining the prestige of China at the risk of their own lives. The State Council called on all CAAS staff members to learn from the heroic crew.

Stewardesses Awarded by CYL

OW151100 Beijing XINHUA Domestic Service in Chinese 0750 GMT 14 Aug 82

[Text] Beijing, 14 Aug (XINHUA) -- The CYL Central Committee recently made a decision to confer the title of "national pace setters in the New Long March" on Jia Zhimei and Gai Shenglan and issued medals and certificates of merit to them.

The decision says: In the struggle to thwart the hijacking attempt on 25 July 1982, Comrades Jia Zhimei and Gai Shenglan were brave and resourceful, firm and cool headed. Together with all the comrades of the crew and the masses of passengers, they waged a heroic and tenacious struggle against the hijackers, displaying a lofty spirit of patriotism and revolutionary heroism and contributing to the victory of the anti-hijacking struggle.

The decision calls on CYL members and the masses of young people throughout the country to learn from the revolutionary heroism of Comrades Jia Zhimei and Gai Shenglan, who faced danger fearlessly, dashed ahead regardless of their own safety and were brave and resourceful at the critical moment; to learn from their sense of responsibility as masters demonstrated by their love for the motherland, loyalty to the people and devotion to duty; and to dedicate their youthful years to the great cause of realizing and safeguarding the four modernizations.

Meeting With Wan Li

OW140854 Beijing XINHUA in English 0831 GMT 14 Aug 82

[Text] Beijing, August 14 (XINHUA) -- Vice-Premier Wan Li, State Councillor Geng Biao and Secretary-General of the State Council Du Xingyuan met in Zhongnanhai today the eight C.A.A.C. crew members who foiled a hijacking July 25.

Wan Li told the crew: "Entrusted by Premier Zhao Ziyang, we are here to meet with you and to congratulate you on your success. The State Council highly praises you for your heroic deeds." Wan Li added: "Your success in thwarting the hijacking attempt demonstrates that you have cherished ardent love for the Communist Party of China, the motherland and socialism, and you have set a fine example for the people of the country."

State Councillor Geng Biao said many foreign passengers witnessed how the Chinese flight crew, with the assistance of passengers, fought the hijackers and subdued them. "Such success is rare in the world," he said. Geng Biao also spoke highly of the exemplary role played by the Communist Party members and Youth Leaguers on board who came forward boldly at the critical moment.

Yang Jihai, the captain, and Xu Kemin, the purser, gave a brief account of the fight with the hijackers. They said they would work harder for the improvement of their services and the development of China's civil aviation.

On entering the reception hall, the vice-premier, the state councillor and the State Council secretary-general greeted the crew members with handshakes and congratulations, and extended regards to those who had been injured in the incident. They took a group photograph with the crew. Shen Tu, the director general of C.A.A.C., was also present.

The rest of the crew attending were: co-pilot Yan Wenhua, air mechanic Liu Zhaoxian, radio operator Miao Xueren, navigator Huang Zhenjiang, and stewardesses Gai Shenglan and Jia Zhimei.

Captain Yang Jihai and his crew were working a domestic C.A.A.C. flight from Xian to Shanghai on July 25 when suddenly five men attempted to hijack the plane. The crew, with the assistance of passengers, fought the hijackers and captured them alive. The plane arrived at Shanghai with all the passengers safe.

LABOR VICE MINISTER ON EMPLOYMENT PROBLEMS

HK150040 Beijing CHINA DAILY in English 15 Aug 82 p 3

[Report: "Struggle Goes on To Find More Jobs"]

[Text] More than 37 million people have been found jobs between 1977 and 1981, He Guang, vice-minister of labour and personnel, pointed out recently.

He said that in the first two years of that period 11 million people were placed, but an average of 8.7 million a year were found jobs in the succeeding three years. He Guang said this quickening tempo had been brought about by the development of collective and individual economies in towns over the last three years. He said the toughest time for employment was at the end of 1978. The rate of people awaiting jobs then was 5.3 percent which, through the opening of new opportunities, dropped to 2.6 percent by 1981.

The new enterprises accepted about 39 percent of the 26 million employed during the 1979-81 period -- 35 percent by collective enterprises and 4 percent by individual businesses.

These recruits for collective ownership mainly went into handicrafts, light industry, commerce, restaurants, daily services and repairing businesses. This corresponded with the new requirements resulting from the changes in industrial structure, he said.

Within three years, number of small retail shops, caterers and repairs works increased by 150 percent. Their staff and workers totaled more than 16.24 million -- an increase of 73 percent. Even so, he said, it was still below the peak level in history.

The domination of socialist public ownership is the fundamental principle under which the various components of the economy can be interwoven to help the nation prosper. To help achieve this, the labour service corporation has been established and has already resulted in work for more than 2.7 million people. However, the development of employment prospects is not balanced.

Some medium and small-sized cities and towns such as Nantong and Changzhou are taking the lead in eliminating unemployment, while some inland counties still encounter difficulties in finding jobs for their unemployed even though they may total only a few hundred people.

Historical and geological conditions do play some part in it, but whether or not their economic activities flourished was the key point, said He Guang.

There are about 6 million people, including graduates and demobilized servicemen, in need of assignments each year. But the harder task seems to be the redistribution of millions of personnel made redundant through the readjustment of enterprises. There, the vice minister plans to establish a system of labour reserve, putting all graduates, casual labourers and superfluous employees together for easier job selection.

NAVY COMMANDER AT CEREMONY HONORING XISHA UNIT

OW151144 Beijing XINHUA Domestic Service in Chinese 1454 GMT 14 Aug 82

[Text] Beijing, 14 Aug (XINHUA) -- An honor ceremony was held in Beijing to carry out the order of the CPC Central Committee Military Commission conferring on the navy garrison unit on Zhongjian Island in the Xisha Archipelago the honorable title "the patriotic, island-loving sentinels in the remotest place." In the name of the CPC Central Committee Military Commission, Fu Jize, deputy commander of the navy, read the Military Commission's order conferring the honorable title on the garrison unit on Zhongjian Island. Navy Commander Ye Fei presented the citation banner of the Military Commission to Zhang Yanzeng, political instructor of the garrison unit.

In his speech at the meeting, Li Yaowen, political commissar of the navy, urged naval commanders and fighters to enthusiastically respond to the Military Commission's call, earnestly learn from the Zhongjian Island garrison unit, and foster an upsurge in learning from, catching up with and surpassing the advanced unit in an effort to expeditiously build a modern, regular and revolutionary navy. The decision of the navy's party committee on launching activities to learn from the "patriotic, island-loving sentinels in the remotest place" was read out at the meeting.

Zhang Yanzeng, political instructor of the Zhongjian Island garrison unit, spoke at the meeting. He expressed determination to translate the honorable title conferred on the unit into a driving force and to win new merits in defending and building the island and in promoting socialist spiritual civilization.

Celebrated painters Wu Zuoren and Bai Xueshi wielded their brushes to produce paintings for the garrison unit on Zhongjian Island. Shao Yu, Dong Shouping and Fan Zeng presented their works to the coastal defense heroes to express the people's respect for them.

Present at the meeting were more than 1,900 persons, including cadres and fighters of the navy's leading organs and naval units as well as all the representatives attending the navy's first congress of advanced collectives and advanced individuals in promoting socialist spiritual civilization.

NEW NAVAL DESTROYER COMPLETES TEST MISSIONS

OW151012 Beijing XINHUA Domestic Service in Chinese 0233 GMT 15 Aug 82

[Text] Beijing, 15 Aug (XINHUA) -- Vessel 105 of the navy's Beihai fleet -- the first new type of guided-missile destroyer fully designed and built by China -- has greatly contributed to the country's efforts to expeditiously build a modern and regular navy, XINHUA correspondent Li Zuomin and XINHUA reporter Li Xueyin learned from the departments concerned of the navy. This destroyer was recently named a pace setter in promoting socialist spiritual civilization by the navy's leading organ.

Since its launching, vessel 105 has taken on scientific missions to test the equipment and armament developed for new types of warships. The commanders and fighters on board have displayed a revolutionary spirit of self-reliance and hard struggle and have overcome various hardships and hazards. Aside from having sailed more than 50,000 nautical miles in the motherland's vast waters of the Bohai Gulf, Yellow Sea and East China Sea, they have successfully accomplished over 1,000 trial missions in close cooperation with the production and scientific research departments. Scores of these missions were the first of their kind ever conducted by this country and were the primary and most difficult tasks carried out during the voyage.

The successful tests conducted by vessel 105 have provided the scientific data for developing and building new types of warships. During their scientific testing missions, crew members of the vessel compiled 280 rules and regulations for modern guided missile destroyers and submitted more than 1,000 rational suggestions to scientific research units of departments concerned under the navy. Some 800 of those suggestions have been accepted. The destroyer has trained more than 200 technicians for other naval vessels.

FIRST GRADUATES FOR DOCTORAL DEGREES ENROLLED

OW142100 Beijing XINHUA in English 1532 GMT 14 Aug 82

[Text] Beijing, August 14 (XINHUA) -- China's first graduate students to study for doctoral degrees, 420 in all, have just been enrolled by 54 colleges and 15 research institutions, the State Council's academic degrees committee announced here today.

The committee's general secretary, Huang Xibai, said that among the students to begin studies soon, 191 would major in science, 137 in engineering, 60 in medicine, 16 in literature, 11 in history, two in philosophy, two in pedagogy and one in agronomy. He said that enrollment had started last November and most of them have received masters degrees.

Also a vice-minister of education, Huang Xibai said China would begin regular conferment of doctoral degrees when the newly enrolled students graduate in two or three years.

Speaking of the nine students who became China's first group to receive doctors degrees two months ago, Huang Xibai explained that they had been selected from graduate students studying for masters degrees and made exceptions because of their extraordinary academic records. He said their tutors had encouraged them to study for doctoral degrees and taught them the new courses required.

NEW COLLEGE TO TRAIN UNIVERSITY LEADERS OPENS

OW151738 Beijing XINHUA in English 1501 GMT 15 Aug 82

[Text] Beijing, August 15 (XINHUA) -- A new college for training university leaders and provincial education bureau directors opened here today.

Zhang Chengxian, president of the Central College for Educational Administrators, spoke to the first class of nearly 200 students at this morning's opening ceremony.

Also a leading official of the Education Ministry, he said China now has 719 institutions of higher learning as compared with 205 when the People's Republic was founded in 1949. Due to such rapid development in education, he said, large numbers of cadres without competent education or professional knowledge were transferred to lead colleges and universities.

In the past two years, some 600 middle-aged and young faculty members have been promoted to leading posts in colleges nationwide. Despite their profound knowledge in teaching, Zhang Chengxian said, they need training in college administration. He suggested that the new college be developed into a higher learning research and data center, in addition to being a training base for administrators.

Located on the outskirts of Beijing, the college is close to the Great Wall and Ming Tombs, some 60 kilometers north of Beijing proper.

The college plans to set up five teaching-research sections of Marxism-Leninism, pedagogy, psychology, history of education and college administration.

The first class of students will study 10 courses, including philosophy, pedagogy, psychology, education economics and college management, for a period of six months.

The college will eventually increase the number of students to 800 with school periods ranging from six months to two years. Enrollment will be expanded to include principals of secondary technical schools and high schools, theoreticians, Education Ministry officials and aspirants to college leaders.

CAPITAL CONSTRUCTION PROJECT READJUSTMENT NOTED

OW132345 Beijing Domestic Service in Mandarin 1200 GMT 12 Aug 82

[Text] China has made great achievements in readjusting capital construction in the past 3 years. The number of large and medium-sized projects under construction in China has been reduced by two-thirds and dropped to 600 or so in 1982. The scale of construction has been curtailed by one-third.

The drastic reduction in construction projects enables China to use its funds and materials in a more concentrated way and thus accelerate the construction of some major projects. The completion rate of large and medium-sized projects was 10.6 percent in 1981, while it was 8.3 percent in 1980. In 1981 the utility rate of fixed assets increased to 86.7 percent for the first time in many years. Some weak links in construction, such as projects for energy, transport and building materials, have been strengthened. This was made possible by the curtailment of capital construction and by readjustment in the orientation of investment. In the past 3 years, coal mining capability was increased by 35.95 million tons, electric power generating capacity by 10 million kilowatts and crude oil extracting capability by 18.94 million tons. The construction of light and textile industrial projects, urban housing and projects for improving the standard of the people's material and cultural life has increased by a very big margin. Achievements in housing construction are the most remarkable. In the past 3 years, completed houses totaled some 253 million square meters of floor space, equal to one-half the total houses completed in the 30 years after the founding of the People's Republic. The newly completed houses have solved the housing problem for about 5 million urban residents. In the first half of 1982, housing projects under construction in China increased by 18.5 percent in terms of floor space, compared with the first half of 1981.

RURAL COMMUNE-, BRIGADE-RUN ENTERPRISES DEVELOP

OW140559 Beijing XINHUA Domestic Service in Chinese 0026 GMT 14 Aug 82

[Text] Beijing, 14 Aug (XINHUA) -- Enterprises run by China's rural communes and production brigades have developed rapidly since the convening of the 3d Plenary Session of the 11th CPC Central Committee. Economically and technically, they have become an important pillar for achieving agricultural modernization in our country, as well as a major component for the collective economic which is indispensable for promoting rural economy and improving the peasants' livelihood.

The enterprises' total annual income has increased from 43,140 million yuan in 1978 to 67,036 million yuan in 1981, a 55.4 percent increase in 3 years, with fixed assets reaching 37,500 million yuan. In 1981 their industrial output value comprised 10.8 percent of the country's total industrial output value, while export goods produced by the enterprises amounted to some 2,600 million yuan. In the 3 years from 1979 to 1981, the enterprises earned 33,568 million yuan in net profits, of which 6,609 million yuan has been spent on supporting agricultural production and construction, including 2,865 million yuan on farmland capital construction, 2,710 million yuan on purchasing agricultural machinery and 1,034 million yuan on subsidizing the production of poverty-stricken production teams. In addition, 2,476 million yuan has been spent on various rural subsidies.

The development of commune- and brigade-run enterprises has offered more employment for rural labor forces. Presently, 30 million people are employed by the enterprises and their total wages amounted to 13,063 million yuan in 1981, averaging some 16 yuan for each of the country's 800 million peasants. In some places, the enterprises return part of the profits to production teams for distribution, thereby increasing commune members' income. In 1981 the funds derived from profits for distribution among commune members totaled 2,016 million yuan. The enterprises also took 715 million yuan from the net profits to set up various collective welfare undertakings in rural areas.

The development of enterprises run by communes and brigades throughout the country has not only provided the funds and equipment and trained the technical personnel necessary for achieving agricultural modernization, but has also increased commune members' income.

The enterprises have also enabled nearly 10,000 towns in the country to become new towns which, with the enterprises as the mainstay, have the initial characteristics of both town and country and both industry and agriculture, as well as a certain number of cultural and welfare facilities.

DEVELOPMENT OF STATE FARM SITUATION OVERVIEWED

OW142220 Beijing Domestic Service in Mandarin 1200 GMT 11 Aug 82

[Text] Since the 3d Plenary Session of the 11th CPC Central Committee, China's state farms and land reclamation department has seriously eliminated the influence of erroneous leftist thinking, readjusted the economic structure, improved management and fundamentally changed the face of its enterprises. In the past 3 years, it has increased its total industrial and agricultural output value at an average annual rate of 8.5 percent and earned a total profit of 1.289 billion yuan. In the 3 years, it delivered to the state 15.1 billion jin of commercial grain equal of one-third its total commercial grain delivery to the state in the past 3 decades or more.

The state farms and land reclamation department is a department of state-run, large-scale socialist agriculture with a fairly high degree of mechanization. In the past, it operated with losses for 12 consecutive years due to poor management. Since the 3d Plenary Session of the 11th CPC Central Committee, the state has fixed the financial responsibility of the state farms and land reclamation department and given it added decisionmaking powers. All state farms have restored or initiated the production responsibility system and implemented the socialist principle of to each according to his work, thus bringing into play the workers' socialist working initiative and promoting the development of production.

In 1979 the state farms and land reclamation department stopped its losses and earned a profit of some 396 million yuan. In 1981 state farms in more than 10 provinces, municipalities and autonomous regions suffered serious natural disasters, but the state farms and land reclamation department still earned a profit of some 230 million yuan.

ACHIEVEMENTS IN COMPUTER RESEARCH REPORTED

OW132200 Beijing XINHUA Domestic Service in Chinese 1137 GMT 13 Aug 82

[Excerpts] Beijing, 13 Aug (XINHUA) -- A XINHUA editor's note says: To organize scientific and technical forces in tackling difficult problems in a coordinated manner in the face of important topics and weak links in the national economy and to rely on our own strength to realize the four modernizations program as soon as possible are the common aspirations of the party and all the people in the country. We are happy to see that the units concerned in the study and manufacture of large-scale integrated [LSI] circuits in China are being organized to tackle difficult problems in a coordinated manner and are scoring initial achievements.

To tackle difficult problems in the field of science and technology, we must have full national confidence. In other words, we must have faith in and rely on our own strength. After some strenuous efforts, we will certainly be able to solve the key problems in the development of China's national economy. Facts have proved that as long as we adopt firm policies and effective measures and bring into full play the role of existing technical forces and equipment, we will be able to make breakthroughs within a fairly short period. (end of editor's note)

In the past 3 years, the State Scientific and Technological Commission has organized several nationwide campaigns to tackle difficult problems in developing new technology for the manufacture of LSI circuits at a fast pace. Since the nationwide campaign to tackle problems in making LSI's in 1979, China has already succeeded in making more than 30 types of LSI's. The semiconductor research institute of the Chinese Academy of Sciences has succeeded in studying and making 16K dynamic memory chips. Qinghua University has succeeded in studying and making 8085-A monolithic 8-bit microprocessors and 4K static memory chips. Other units have succeeded in studying and making 1K and 4K memory chips as well as 8K read-only memory chips. They have also succeeded in studying and making two types of 8 monolithic 8-bit microprocessors and some peripheral circuits. All these achievements have passed inspection and will be put into full production in large quantities.

China's scientists and technicians have also made some new breakthroughs in the study of basic theories and new technology and techniques. Rapid progress has been made in the study of new technology and techniques such as designing software for computers and polishing without using abrasives. Some of the departments are carrying out experiments in applying and popularizing new technology and techniques so as to further develop the national economy.

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FUJIAN CPC DEPARTMENT DISCUSSES CONSOLIDATION

OW160619 Fuzhou Fujian Provincial Service in Mandarin 1120 GMT 14 Aug 82

[Excerpts] The organizational department of the Fujian Provincial CPC Committee held a meeting on the work of consolidating party organizations at the grassroots level from 6 to 12 August in Xiamen. The meeting relayed the guidelines of the discussion meeting held by the organizational department of the CPC Central Committee on consolidating party organizations at the grassroots level, exchanged and summed up this province's situation and experience in consolidating party organizations at the grassroots level, and studied and decided on future tasks.

Cheng Xu, secretary of the provincial CPC committee, made a summing-up report at the meeting. He emphatically pointed out: The consolidation of party organizations at the grassroots level is important work in strengthening the building of the party. Party committees at various levels should fully understand the significance and necessity of this work, raise their consciousness of its urgency and place it on their agenda. It is necessary to understand the situation, make plans and seriously study and adopt effective steps in order to strengthen the building of the party and raise its fighting capability.

JIANGSU'S HAN PEIXIN ON INTELLECTUALS POLICY

OW140518 Nanjing Jiangsu Provincial Service in Mandarin 2300 GMT 13 Aug 82

[Excerpts] The Jiangsu Provincial CPC Committee held a forum on the implementation of the party's policy toward intellectuals on the afternoon of 13 August. Responsible persons of various democratic parties and nonparty personages were invited to attend the forum and their opinions and recommendations were solicited.

Jiang Zonglu, director of the united front work department of the provincial party committee, presided over the meeting and read a report on inspecting and strengthening the work concerning intellectuals submitted by the provincial party committee to the party Central Committee. The provincial party committee has decided to concentrate on 14 projects in carrying out the work concerning intellectuals both at present and for some time in the future.

All the comrades participating in the forum were excited and they took the floor one after another. They unanimously held that the provincial party committee's decision on carrying out 14 projects for intellectuals has greatly inspired the broad masses of intellectuals.

At the forum, the participants also expressed their opinions and made concrete suggestions on the 14 projects that the provincial party committee has decided to carry out for intellectuals and they all expressed wishes that the projects would be carried out as soon as possible.

Han Peixin, secretary of the provincial party committee and acting governor, made a speech at the end of the meeting. He made a report on the progress of the work in implementing the policy towards intellectuals carried out recently by the provincial party committee and introduced 3 concrete measures taken in this concern:

1. The report submitted by the provincial party committee was printed and promptly distributed to various units. A meeting of responsible persons of the departments, commissions and bureaus concerned was held to mobilize the whole party and the whole society to do a good job in carrying out the policy towards intellectuals.

2. The work concerning intellectuals will continue to be carried out by the group in charge of the work as well as by the offices of the provincial party committee and the provincial government and the projects will be studied one by one and then implemented.

3. In working out the plans for developing the national economy in 1983, attention will be paid to the guidelines for the investment in intellectuals and funds for promoting education and scientific research work will be increased in an appropriate way.

JIANGSU CPPCC COMMITTEE MEETS ON CONSTITUTION

OW140243 Nanjing Jiangsu Provincial Service in Mandarin 2300 GMT 13 Aug 82

[Text] The provincial CPPCC committee called a meeting of standing committee members now in Nanjing to discuss the draft revised CPPCC constitution from 11 to 13 August. The members of the CPPCC national committee now in Nanjing were also invited to join in the discussion. Bao Houchang, chairman of the provincial CPPCC committee, presided over the meeting and made a report.

During the discussion, all participants held: The current draft of the revised CPPCC constitution is based on the resolution of the 6th Plenary Session of the 11th CPC Central Committee, the guidelines of the instructions on revising the CPPCC constitution given by Chairman Deng Xiaoping and the draft of the revised PRC constitution. The guiding ideology of the draft revised CPPCC constitution is correct, because it eliminates the influence of leftist ideology, implements the guidelines and requirements of the four fundamental principles and further makes clear the nature, tasks and function of the CPPCC. The revised constitution is more substantial and perfect than the original. While conducting a thorough discussion and deepening their understanding of the draft revised constitution, participants made many suggestions concerning its revision. These suggestions will be rearranged and turned over to higher authorities by the meeting. All participating comrades unanimously held that, under the current situation in which fairly great achievements have been made both in united front and in CPPCC work, they are determined to cherish ardent love for, and attach great importance to, united front and CPPCC work, in accordance with the guidelines of the draft revised CPPCC constitution, bring their own specialities into full play, carry forward the pioneering spirit, and actively and voluntarily engage in various activities to promote investigation and research on specific topics, professional consultation, propaganda and education work so as to greet the convocation of the 12th CPC Congress with concrete actions. Attending the meeting were Guan Wenwei, Zeng Ruqing, Wei Yongyi, Chen Yusheng, Deng Haoching, Gao Juefu and Cuyang Huilin, all vice chairmen of the provincial CPPCC committee.

JIANGXI CPC TEAMS INVESTIGATE ECONOMIC CRIME

OW140607 Nanchang Jiangxi Provincial Service in Mandarin 1100 gMT 13 Aug 82

[Text] The Jiangxi Provincial CPC Committee recently dispatched 12 inspection teams, totaling over 100 cadres, to various prefectures, cities and units directly under the province to directly take part in the investigation and handling of big and serious cases and strengthen the forces engaged in dealing blows at serious criminal activities in the economic field.

The cadres were selected from various departments of the provincial party committee and provincial departments, bureaus, commissions and offices. They include 16 cadres at department, commission and bureau level and 40 cadres at section level. The comrades of the inspection teams will take part in the struggle against economic crime at the front-line in Jian, Jiujiang, Shangrao, Yichun, Pingxiang and Jingdezhen and units directly under the province. Di Sheng, deputy secretary and secretary of the Discipline Inspection Commission of the provincial party committee, and Wang Tei, deputy secretary of the Discipline Inspections Commission, briefed the comrades of the inspection teams on the current situation in dealing blows at economic crimes in the world province. They asked the cadres to establish a responsibility system, after their arrival at the localities, defining leadership, personnel, measures and time limits, concentrate their efforts on breaking the big and serious cases and strive to win greater new victories in the province-wide struggle to deal blows at criminal activities in the economic field.

HUBEI'S CHEN PIXIAN ATTENDS WORK CONFERENCE

HK040903 Wuhan Hubei Provincial Service in Mandarin 1100 GMT 1 Aug 82

[Text] The Hubei Provincial CPC Committee held a work conference 15-25 July at which the work in the first half year was summed up and reviewed and the work of the second half was studied and arranged. Nearly 500 comrades attended the conference. Among these were members of the standing committee of the provincial CPC committee, party-member vice chairmen of the provincial people's congress, party-member vice governors of the province, prefectural and municipal party secretaries, commissioners and mayors, county party secretaries and heads of counties, and responsible comrades from the departments, commissions, bureaus and offices under the direct leadership of the provincial authorities, the provincial military district, large enterprises, factories and mines, farms under the direct leadership of the provincial authorities, universities and colleges, and scientific research institutions. Chen Pixian, first secretary of the provincial CPC committee and Han Ningfu, second secretary of the provincial CPC committee delivered important speeches at the conference.

The conference fully affirmed the achievements in work and the excellent situation in the first half of this year. Through earnestly studying and discussing the central leading comrades' instruction on the necessity of there being "four political guarantees for building a modern socialist state", the conference further enhanced ideological understanding of the necessity of "carrying out the construction of socialist material and spiritual civilization simultaneously," made a concrete analysis on the favorable and unfavorable conditions in the work in the second half year, studied measures for overcoming difficulties and promoting industrial and agricultural production, arranged to step up the struggle against serious crimes in the economic field, and made arrangements for structural reforms in the party and government organizations. In order to further develop industrial and agricultural production, problems in the field of circulation were particularly discussed and methods for resolving them were sought.

The conference analyzed the present situation and unanimously held: As in the whole country, the political and economic situation in our province is fairly good. Bumper harvests have been achieved in agricultural production and summer grain and oil crops, setting a new historical record. A bumper harvest of early rice is also imminent. On the basis of guaranteeing a yearly growth of 6 percent in industrial production, half of the whole year's task has been fulfilled in the first half of this year. Financial revenue is increasing. Revenue and expenditure are balanced and there is some surplus. The struggle against serious crime in the economic field of the province is going deeper and initial achievements have been scored. The drive of "five stresses and four beauties" is developing deeply and continuously in the whole province, especially in the cities. There is a good change in social order, popular style and party style.

The conference pointed out: While fully affirming the achievements in various work, we must realize that the tasks in the second half year are harder and there are many difficulties and we must do our utmost to work conscientiously. In the rural areas, it is necessary to further stabilize and perfect the responsibility systems in agricultural production and do a solid job in promoting all work there. In agricultural production, it is necessary for us to base our work on preventing floods, draining flooded fields and fighting against natural disasters to strive for more bumper harvests. In industrial production, it is necessary for us to firmly grasp the central link of raising economic returns and unify speed and returns so as to achieve the goal of fighting for a growth of 6 percent, and to strive for 7 percent to 8 percent, with better economic returns. Therefore, it is necessary for the industrial and commercial departments to work jointly in both increasing the manufacture and sales of products that meet the requirements of the market, and in vigorously expanding the products markets. It is necessary to firmly grasp the work of saving energy on the basis of tapping potentials and saving energy and resolve the problem of the short supply of energy.

It is necessary to straighten out the enterprises completely, especially in rectifying and building the leadership groups, and to strengthen ideological and political education for the staff and workers. In the work of finance and trade, it is necessary, on the premise of providing better service for industrial and agricultural production and for the people, to raise the economic returns of each department and unit, as well as those of the whole society, and improve the work of commodity circulation, thus promoting production and enlivening the market. It is necessary to firmly grasp the work of increasing production and practicing economy and increasing revenue and reducing expenditure so as to guarantee the overfulfillment of financial revenue for the whole year.

The conference stressed: It is necessary, while continuously hitting hard at the serious crimes in the economic field, to strengthen leadership and concentrate forces to uncover some large and important cases. It is necessary at the same time to conduct education for the vast number of cadres and masses in resisting corruption by capitalist ideology. It is necessary for the party organizations at various levels of the province to conduct education for the party members of the whole province in party spirit, party style and party discipline.

The conference laid stress on solving the problems in the field of commodity circulation in rural areas at present. It held that the main problems are:

1. Due to the underestimation and lack of preparedness for the profound changes in the countryside brought about by the extensive practice of economic responsibility systems in agricultural production, commercial work cannot adjust to the new situation.

For example, previously, the delivery and sales of major agricultural products such as grain, cotton and oil were conducted on a production team basis. These products were sold and accounts settled by each production team. But now, products are sold by each household and accounts settled by each production team, or products are sold and accounts settled by each household. The selling units have suddenly increased by several tens or even by hundreds of times. But the purchasing stations cannot increase much. In particular, there has been no prompt improvement in purchasing methods. As a result, in the peak purchasing season, the purchasing departments are very busy while the masses have to queue up to sell grain and cotton.

2. Some financial and trade business departments assign the contracts to the grassroots units with the purpose of improving management. Nevertheless new contradictions have arisen in handling the relationships between raising their own economic returns and serving the masses and production. Also, some improper methods are used for resolving these contradictions. For example, some grain departments in cotton-producing areas have stopped the handling of circulating grain in order to reduce losses. As a result, this has harmed the production capital circulation of the cotton peasants and the distribution of their grain ration.

3. In the relationship between manufacturing and sales of the diversified economy products, and in their processing, ideological understanding and practical work cannot keep up with the development of the diversified economy in the countryside. As a result, the problem of supply exceeding demand arose shortly after some diversified economy products started developing and there were the phenomena of limited purchasing and even stopping purchasing.

4. In the past 2 or 3 years, there have been many changes in the handling system and policies on agricultural and sideline products, causing phenomena of insufficient coordination and imperfections. Failure to resolve, in good time, the contradictions between the higher and lower levels and between one another at the same level has also harmed the circulation of commodities in the countryside.

5. The existing system of commodity circulation with division between urban and rural areas in our country was established under certain conditions in the early years of the founding of the PRC to suit the transformation of the system of private ownership. Now the situation is quite different. The circulation system with division between urban and rural areas no longer suits the requirements of development in industrial and agricultural production, and it must, under new circumstances, be changed to the principle of division into commodities and unified selling in urban and rural areas.

In resolving these problems, the conference first of all unified understanding regarding guiding ideology. Through studying and discussing the relevant instructions of the CPC Central Committee and the State Council, the attending comrades felt relatively deeply: We must treat the new situation and new problems in the field of circulation in the countryside with the ambitious spirit of conducting reforms. We must observe economic phenomena from correct viewpoints. First, we must realize that the basic situation of our country at present is a serious insufficiency of various raw materials of agricultural and sideline products. We absolutely cannot, because of a rapid and large increase in some raw material products in a short time resulting from the enthusiasm of the producers, demand the squeezing of production, stop procurement or enforce restricted procurement without making a concrete analysis.

The conference held: The industrial departments must vigorously expand processing capacities to meet the requirements of the people in consumed goods and to increase exports. Proceeding from this guiding idea, the conference further clarified the basic principles to be upheld in resolving concrete problems in the field of circulation in the countryside. 1) Any specific methods for resolving specific problems must be beneficial to promoting the development of diversified economy in the countryside, to the overall development of agricultural production and to the development of the whole national economy. 2) It is necessary to simultaneously care for the interests of the state, the collective and the individual laborers. All forms and methods of business operation, the procurement and sales bases for various agricultural and sideline products and the ratio between delivery and retention must all be decided according to this principle. All one-sided ideas and practices are improper. 3) It is necessary to adhere to the guiding principle of putting planned economy first and regulation by market mechanism second. It is necessary to guarantee the fulfillment of purchasing second category agricultural and sideline products on the part of the state and the task of delivery on the part of the peasants. As for the surplus after fulfilling the plan, producers must have their own decisionmaking power to handle it. It is particularly necessary to vigorously support the lower levels in developing processing industries with this portion of their products and engage in combined industry-agriculture-commerce operations. All the second category agricultural and sideline products produced this year must, in principle, be purchased and it is not permissible to restrict or stop the purchase of them. However, the development diversified economy products must be in harmony with the development of processing and purchasing capacities in industry and commerce. It is necessary to control next year's plan for products for which it is hard to expand the sales market in the near future. Some must be stabilized and some must be properly adjusted. 4) It is necessary to maintain the continuity and stability of policies. Whether in procurement and sales base figures, the ratio between delivery and retention, the method of contract work or other policy measures, there must be no repeated changes after decisions have been taken according to the above three requirements. Generally, they must be in force for 3 years. As for those products with a long cycle, the policies must be in force for 5 years. Only by so doing, can we reassure the people and benefit production.

Bringing democracy into full play and widely listening to the various suggestions, the conference studied and decided, according to the above basic principles, the methods for resolving some present problems in the field of circulation in the countryside which need urgent solving, including problems in grain procurement, delivery and sales contracts and financial contracts, in purchasing rapeseed and rapeseed oil and the expansion of supply, in purchasing and handling second category agricultural and sideline products, in arranging plans for several agricultural and sideline products, and in practicing an open system of commodity circulation in city and countryside.

The conference also demanded that after the meeting departments concerned must, according to the above basic principles, study methods to resolve the problems which could not be resolved at the meeting all at once.

All the attending comrades said that this meeting has done a good job in studying and solving the problem of commodity circulation in the countryside, and it will stimulate agricultural production, especially the development of the diversified economy.

The conference emphatically pointed out in conclusion: So long as the leaders of various levels have a clear understanding in guiding ideology, fully arouse the enthusiasm of the cadres and masses, are fully confident, humble and prudent, face the difficulties squarely and dare to overcome them, we will be able to victoriously fulfill all the work tasks for this year, score even greater new achievements in building socialist material and spiritual civilization and make more contributions to the motherland.

HUNAN HOLDS FORUM ON WORK TOWARD INTELLECTUALS

HK120935 Changsha Hunan Provincial Service in Mandarin 1100 GMT 11 Aug 82

[Summary] The provincial CPC committee held a forum in Changsha 3-9 August on provincial work toward intellectuals. The meeting reviewed the state of affairs in the work toward intellectuals throughout the province, summed up and exchanged experiences, and studied the tasks ahead.

The meeting held: The CPC committees at all levels of our province have done a lot in the work toward intellectuals and have achieved certain results. But it must be seen that in order to give full play to the role of intellectuals it is still necessary to further eliminate the "leftist" influences, conquer prejudice against intellectuals and correct views toward them. It must be noted that radical changes have taken place in the rank of intellectuals. Of more than 310,000 technical personnel in our province, the middle-aged and young intellectuals account for 95 percent. The great majority of them have been fostered by the country since liberation. We must dare to give them a free hand in their work and exert efforts to educate and cultivate them so that they will become both socialist-minded and vocationally proficient.

Speaking of the tasks ahead in intellectual work, the meeting pointed out: It is necessary to handle properly some pending problems in implementing the policy on intellectuals. Importance must be attached to the work on nonparty member intellectuals. They must all be treated alike without discrimination and must be trusted. Leaders at all levels must participate in the work on intellectuals, making friends with them and listening to their opinions and suggestions. Attention must be given to helping intellectuals, especially the middle-aged, surmount the difficulties in their life. Their working and living conditions must, if possible, improve step by step.

The meeting called on CPC committees at various levels to study and adopt some practical measures to do better work on intellectuals in line with local conditions or respective districts and units in order to press forward our province's work on intellectuals with a big stride as a token in greeting the convocation of the 12th CPC Congress.

Secretaries Sun Guozhi and Zhao Chuqi of the provincial CPC committee and Ji Zhaoqing, standing committee member and director of the organization department of the provincial CPC committee, each spoke at the meeting.

SICHUAN HOLDS PLANNED PARENTHOOD CONFERENCE

HK131124 Chengdu Sichuan Provincial Service in Mandarin 0030 GMT 13 Aug 82

[Summary] On the evening of 12 August, the Sichuan Provincial CPC Committee and the provincial people's government held a second telephone conference on the planned parenthood propaganda drive. The conference demanded: "The whole province must make sustained and redoubled efforts, continue to whip up a new upsurge in propaganda and greet the holding of the 12th party congress with excellent achievements." At the conference, (Meng Guantan), secretary of the Chongqing Municipal CPC Committee; and (Zhou Changrui), deputy administrative commissioner of the Mianyang prefectoral administrative commissioner's office, introduced the situation of unfolding the planned parenthood propaganda drive in their places.

Yang Rudai, executive secretary of the provincial CPC committee; and Liu Haiquan, vice governor, attended and spoke at the conference. In his speech, Liu Haiquan fully affirmed the achievements and experiences in the planned parenthood propaganda drive throughout the province since the middle of July. He pointed out that "the development is still uneven." He made arrangements for the propaganda drive for the next stage.

In his speech, Yang Rudai stressed: "CPC committees at all levels must continue to strengthen leadership over planned parenthood work and persist in grasping industrial and agricultural production simultaneously without fail. All departments and units must regard planned parenthood as their own duty and, in light of their own characteristics, strive to work and make necessary contributions to population control." Yang Rudai emphatically said that in planned parenthood work, it is necessary to lay stress on propaganda and education. He demanded that the province fulfill its plan for population for this year.

Attending the telephone conference were leading comrades of the party and government in all municipalities, prefectures, autonomous prefectures and counties; comrades of relevant departments and planned parenthood leadership groups; responsible comrades of relevant departments at the provincial level; and members of the provincial planned parenthood leadership group.

EAST, NORTHWEST SICHUAN FIGHT SERIOUS FLOODS

HK140408 Chengdu Sichuan Provincial Service in Mandarin 0030 GMT 14 Aug 82

[Text] Eastern and northwestern Sichuan were hit three times by torrential rainstorms in July, causing serious floods. In particular, the severity and extent of the floods in eastern Sichuan were unprecedented. Vice Governor Liu Haiquan, hearing of the serious disaster there, went with six others including provincial civil affairs department deputy director (Guo Peng) to Wanxian and other prefectures on 23 July to investigate the situation. He immediately telephoned the provincial government proposing vigorous support for the struggle against disaster in eastern Sichuan. The next day the provincial agricultural, water conservancy and electric power, and civil affairs departments and other departments sent four comfort groups to Dazian, Wanxian, Fuling and other disaster areas to comfort the stricken masses, find out the situation, and help the local authorities to carry out relief work.

On 6 and 9 August, the provincial CPC committee and government held three meetings of responsible comrades of the provincial organs to mobilize all departments to tap capital potentials and support Daxian, Wanxian, Fuling and other major disaster areas. They decided to allocate 20.5 million yuan in relief funds and various materials including chemical fertilizer, steel, cement, gasoline, diesel fuel and kerosene for flood-fighting there.

At the same time provincial CPC committee Executive Secretary Yang Rudai went to the disaster areas to comfort the people there and find out the situation. Provincial CPC committee Secretary He Haoju promptly reported the disaster situation to the Central Committee.

In accordance with the spirit of Comrade Tan Qilong's instructions, the provincial CPC committee and government convened a further meeting of 114 responsible persons of departments and bureaus on 11 August to study disaster relief issues. They decided to allocate further sums and material to eastern Sichuan. They also organized a comfort work group. This group has already set out for the area.

SICHUAN RIBAO ON TRANSPROVINCIAL COOPERATION

HK131439 Chengdu Sichuan Provincial Service in Mandarin 0030 GMT 11 Aug 82

[Text] Today SICHUAN RIBAO publishes a commentator's article in a prominent position on the front page. This article is entitled "Develop Transprovincial Economic and Technical Cooperation."

The article says that while our province has been vigorously enforcing the transformation and unification of industrial enterprises there has emerged a number of transprovincial and transmunicipal economic and technical integrated complexes. These integrated bodies, aiming at the improvement of economic returns, have broken the bounds of different regions. This form of cooperation is one with a bright prospect. Practice has shown that developing economic and technical cooperation with other provinces and municipalities, transplanting the good experiences of Shanghai and other coastal cities and provinces in our province and presenting our own experiences to other provinces are very advantageous to improving the quality of our province's products, developing new varieties, increasing economic returns and strengthening the cooperation between our province and other advanced provinces. Only by promoting transprovincial cooperation in line with the needs of economic construction and the demands of the market in urban and rural areas and according to the local conditions can we maintain close horizontal economic ties, eliminate the weaknesses and give full play to the strongpoints, give free reins to the superiority of each province and each municipality, and thus speed up exploring and making use of our province's rich mineral resources and agricultural and sideline products to develop precision processing and production of marketable goods. This is also a step of great significance to the rational readjustment of industrial layout, to the cooperation between the hinterland and the coastal areas, and to their coordinated development.

The article points out: In developing transprovincial and transmunicipal economic and technical cooperation, we must adopt a long-term viewpoint and take the overall situation into consideration. Different parties engaged in cooperation must have their eyes on the overall situation, adhere to the principle of mutual benefit, fully consider the economic interests of every party involved, and should not spoil cooperation by being preoccupied with the gains and losses of one's own unit. Once the integrated complexes are well operated and economic returns are improved, we will be able to make greater contributions to the state, and all the parties within the integrated complexes will make more profits.

The article says that the leading departments concerned must conscientiously sum up experiences and carry out investigations and studies so as to promote transprovincial and transmunicipal economic and technical cooperation step by step and in a unified, coordinated and planned way. Those projects which have effect on the balance between supply, production and marketing in the whole province and in the whole country must be brought into line with the state plan, while other projects should be classified as [word indistinct] projects or local projects. All projects should be carried out in groups and by stages so as to avoid haphazardness.

XIZANG LEADER REVIEWS REGION'S ACHIEVEMENTS

OW150809 Beijing XINHUA in English 0824 GMT 12 Aug 82

[Text] Lhasa, August 12 (XINHUA) -- "An excellent situation rarely seen in the past 30 years or so has materialized in Tibet. It is characterized by political stability and a much better life of the people," said Ngapoi Ngawang Jigme, vice-chairman of the Standing Committee of the National Peoples' Congress and chairman of the Tibet Autonomous People's Government, in an interview with XINHUA.

Ngapoi attributed the success to the implementation of the new policies for Tibet adopted by the central government in 1980. He said in the unitary multination state of China, the Tibetan nationality has equal political status with other nationalities. Among the 19 vice chairmen of the N.P.C. Standing Committee are two Tibetans. A number of Tibetans have taken up leading posts in the party and state organs. "The party Central Committee and the State Council fully respect and listen attentively to the opinions from us Tibetans when they discuss Tibetan questions or formulate policies for the region. I myself have attended such meetings on many occasions," he said.

The unity among the Tibetans, Hans and other minority nationalities such as Monba and Lhoba has been steadily strengthened. Local officials and masses are making concerted efforts to build a prosperous new Tibet, Ngapoi said.

He said in recent years Tibet has gained greater regional autonomy. More than 54 percent of the government officials are drawn from among the regions Tibetan and other minority nationalities. All of the Peoples' Congress standing committees are Tibetans.

The overwhelming majority of the government officials are new faces who have come to the fore since the 1959 democratic reform in Tibet. They understand the aspirations of the people and can listen carefully to their demands, he said.

He said "the government leaders are all elected by the masses. The Tibetans have never enjoyed such full rights as masters of their own region as today."

Ngapoi is gratified with the tremendous economic changes in the region in the past two years. "Since the adoption of the flexible policies in 1980, Tibet has reported rapid growths in agriculture and stockbreeding. The peoples living standards have improved markedly. In 1981, total output value of agriculture and stockbreeding was reached 487 million yuan, 19.5 percent more than 1979. Grain output was 483,500 tons, 60,500 tons more than 1979. Output of highland barley, a cereal all Tibetans like, came to 278,000 tons, 34.6 percent greater than the 1979 figure. Income from sideline occupations amounted to 42 million yuan, double the 1979 figure. The income of both peasants and herdsmen has increased with the development of production, exemption of taxes and the rise in state purchase prices of farm produce. The average per-capita income has risen from 127 yuan in 1979 to 200 yuan last year," he said.

Ngapoi said the Tibetans customs, habits and religious beliefs have been fully respected. Traditional culture has been restored and developed. "Everywhere I go, I see masses have ease of mind and are elated with joy," he said.

He cited many facts to show the kind attention and support given by the central government, provinces and municipalities throughout the country to promote economic and cultural development in Tibet.

Between 1980 and 1982 the region received 1.6 billion yuan in subsidies from the central government, accounting for 98 percent of the regions expenditure. Tibetan peasants and herdsmen enjoy free medical treatment, free film shows and free schooling for children.

"The fate of Tibet is closely linked with that of the motherland. Only in the big family of the motherland can our region have a bright future," he said. Ngapoi said the various policies adopted by the party in Tibet are suited to Tibet's conditions and conform with the interests and aspirations of the Tibetans and other minority nationalities. Only by further implementing these policies can Tibet become more and more prosperous and the masses enjoy a higher standard of living. A united, prosperous new Tibet will surely emerge on the "roof of the world."

YUNNAN CPC URGES IMPROVING FINANCIAL ENTERPRISES

HK140336 Kunming Yunnan Provincial Service in Mandarin 1100 GMT 12 Aug 82

[Summary] The provincial CPC committee and provincial financial and trade department recently called a joint meeting to exchange experiences in straightening out financial and trade enterprises in the province and perfecting economic responsibility systems. By summing up and exchanging experiences in these fields, the meeting put forward the following problems which need to be solved:

1) It is necessary to correct business ideas and stick to the socialist orientation. All financial and trade enterprises must earnestly carry out the principle of promoting the economy and ensuring supply. "Under the guidance of state plans, they must promote purchase and marketing, strengthen business accounting and improve service in order to better industrial and agricultural production, improve people's standard of living and accumulate more funds for the country." 2) In straightening out enterprises and perfecting economic responsibility systems, attaining better economic returns must be taken as the ultimate goal. 3) On the course of straightening out enterprises, it is necessary to do a good job in building leading bodies and the rank of workers and to make more perfect the regulations and systems of such enterprises. 4) It is also necessary to properly handle the relationship between material interests and political and ideological work. New ways must be explored for carrying out political and ideological work in the new situation. Our party's fine traditions in political and ideological work must be revived.

The meeting pointed out: The present straightening out of financial and trade enterprises is a comprehensive measure aimed at laying the foundation for building socialist modern enterprises. All units must tackle the problem in an all-round way and must not take any hasty actions or only make a token gesture..

On this issue, Yunnan Radio carried a commentary entitled "Sum Up Experiences, Do Well in Straightening Out Financial and Trade Enterprises and Perfecting Economic Responsibility Systems."

The commentary said: "By the end of June 1982, more than 4,700 financial and trade enterprises throughout the province had instituted economic responsibility systems, accounting for 84 percent of the total number of such enterprises. In early 1982, the provincial financial and trade departments also selected more than 800 financial and trade units to be straightened out on a trial base." Practice tells us that all our financial and trade enterprises must be straightened out and must practice economic responsibility systems. Otherwise, the socialist orientation of enterprises cannot be ensured, the enthusiasm of workers and staff cannot be aroused and better economic results cannot be attained.

However, leaders of some units lack understanding of the importance of developing the economic responsibility system and are afraid of the difficulties of straightening out enterprises. Thus, until now a small number of enterprises have not yet achieved the predicted better economic returns. The experiences gained from the recently-held meeting merit serving as references in straightening out enterprises and perfecting economic responsibility systems.

From the experiences, we find that there are the following three key points which will help us do a good job in straightening out enterprises: 1) Attention must be continuously paid to strengthening political and ideological work. 2) Attention is focused on arousing the enthusiasm of leaders, workers and staff. 3) CPC committees should attach importance to giving effective leadership to the work of straightening out enterprises.

The commentary concluded: All enterprises can be successfully straightened out under the leadership of CPC committees and with the assistance of the departments in charge, provided we earnestly sum up our own experiences and learn from each other.

YUNNAN MINORITIES USE NATIVE WRITTEN LANGUAGES

OW030854 Beijing XINHUA in English 0805 GMT 3 Aug 82

[Text] Kunming, August 3 (XINHUA) -- Nine of the 22 minority nationalities in Yunnan province, southwest China, have started to teach their own written languages in the schools.

The nine nationalities are Dai, Jingpo, Lisu, Lahu, Yi, Va, Tibetan, Miao and Honi. Adults classes are also taught their national languages.

Special organizations on minority languages have been set up in four autonomous prefectures and two autonomous counties. In Dehong Autonomous Prefecture, home of Dai and Jingpo nationalities, 339 primary school have opened minority languages courses. The prefecture also uses both minority languages and Han language in documents, advertisements, and in courts.

The 22 minority people all have their own spoken languages. 11 now also have written languages. In recent years, the provincial government has attached great importance to teaching minority languages and taken measures to improve them. The provinces minority language committee has trained 543 teachers of Lisu, Lahu, Miao, Va and Yi languages. A nationality publishing house has been set up in the province, which has issued textbooks of five minority languages and 64 kinds of books and magazines.

BRIEFS

SICHUAN GAS FIELD -- Chengdu, 8 Aug (XINHUA) -- In the past 3 years the Chuandong gas field in Sichuan Province increased its natural gas output at an average rate of 25 percent a year. In 1981 it produced 2 million cubic meters of natural gas, double the 1979 output. At present the gas field produces 6 million cubic meters of natural gas daily, which is supplied through a newly completed pipe network to chemical plants in Chongqing, Chengdu, Luzhou, Yongchuan, Fuling and Daxian in Sichuan and to chemical plants in Yunnan and Guizhou Provinces. [Beijing XINHUA Domestic Service in Chinese 0103 GMT 8 Aug 82 OW]

NEI MONGGOL URGES IDEOLOGICAL WORK ENHANCEMENT

SK070518 Hohhot Nei Monggol Regional Service in Mandarin 1100 GMT 6 Aug 82

[Excerpts] According to NEI MONGGOL RIBAO, the Nei Monggol Autonomous Regional CPC Committee recently sponsored a conference with the participation of party branch secretaries from the regional level organs to sum up experience gained in earnestly implementing the important directives issued by the CPC Central Committee in regard to the work of Nei Monggol over the past year and to review achievements scored in various fields. Meanwhile, the conference urged party organizations at all levels to strengthen ideological and political work and to heighten their work enthusiasm and exert all-out efforts to advance the excellent situation that has developed since the 3d Plenary Session of the 11th CPC Central Committee and to strive to score still greater achievements in various fields.

At the conference, Wang Duo, permanent secretary of the regional CPC committee, and (Qian Zhenyong), deputy secretary of the regional CPC committee, delivered important speeches on behalf of the regional CPC committee. The important directives issued by the CPC Central Committee in early August 1981 in regard to the work of Nei Monggol embody the spirit of the resolution adopted at the 6th Plenary Session of the 11th CPC Central Committee on certain questions in the history of our party since the PRC's founding. These directives represent the concern shown by the CPC Central Committee for the people of various nationalities in Nei Monggol and totally conform to the basic interest and desire of the people in the region, so that they are warmly supported by the cadres and masses of various nationalities throughout the region.

In implementing the important directives issued by the CPC Central Committee over the past year, the regional CPC committee has emphatically grasped the following work:

1. Efforts have been made to extensively and thoroughly disseminate the spirit of the central authorities' directives and publish and issue written materials for preaching these directives. Meetings and forums have been held for studying and discussing these directives. By making full preparations, a conference of party committee secretaries at county and banner levels has been held in which unified understanding toward the directives has been fostered and measures for implementing these directives have been worked out.
2. To better implement the principle of taking forestry and livestock as main tasks and developing a diversified economy, efforts have been made to sum up historical experience, particularly a lot of model experience gained in production, integrate these experiences with current tasks and hold various exhibits to fully prove the correctness of the production principle in line with theories and practice.
3. Efforts have been made to formulate a plan for restoring ecological balance and achieving the principle of regarding forestry and livestock as key tasks and developing a diversified economy and strive to realize a rational relationship among agriculture, forestry and livestock.
4. Efforts have been made to strengthen ideological and political work, launch criticism and self-criticism, combat weak and lax leadership in varying degrees, resolutely block the trend of bourgeois liberalism and wrong viewpoints that have cropped up from liberalism in regard to the theory of national affairs and continuously bring order out of chaos.
5. Efforts have been made to strengthen the party's leadership and education on unity among nationalities and strive to persuade the broad masses of cadres and the people to clarify the party's fundamental task for the national affairs in the new historical period -- that all-out efforts should be made to develop the economy.

6. The provisions on population control have been recently issued in an effort to strengthen family planning work so as to control births and to strengthen population control to overcome problems associated with population migrations.

Through efforts to carry out this work, party organizations and the vast number of cadres and the people throughout the region have unwaveringly implemented the important directives issued by the CCP Central Committee in regard to the work of Nei Monggol, resulting in consolidation and development of the excellent stable situation since the 3d Plenary Session of the 11th CPC Central Committee and the great unity among various nationalities. As a result, the region has made new progress in various economic construction this year and has created an excellent situation.

However, in implementing the important directives issued by the CPC Central Committee, there still is an ideological struggle. By correctly evaluating the situation and discerning the character and understanding the problems of this struggle in a timely manner, the regional CPC committee has been determined to adopt guiding measures and to patiently conduct much ideological and education work, as well as to resolutely expose and deal blows at a handful of bad elements who have persistently followed the reactionary doctrines of Lin Biao and the gang of four. These elements even spread rumors, slung mud, corrupted the minds of the people and flaunted the banner of issues on national affairs in an attempt to get rid of the CPC's leadership, deviate from the right path of socialism, create division among various nationalities and oppose the reunification of the motherland. All of their sabotaging activities have aroused the broad masses of cadres, party members and people of various nationalities throughout the region to great indignation. Historical experiences have again shown that anyone who runs against the interest and will of the vast number of people and goes against the trend of the times will be doomed to failure.

At the conference, participants from party organizations of the regional level organs held earnest discussions on important speeches given by Comrades Wang Duo and (Qian Zhenyong). Through study and discussions, the broad masses of cadres have upgraded their understanding of the directives. Many comrades stressed that the current CPC Central Committee is one of the leading cores in our party's history. They pledged to be firmly confident in the correct leadership of the CPC Central Committee and to conscientiously seek uniformity with the Central Committee in politics. The fundamental interest of the people of various nationalities is in maintaining great unity among the various peoples and the motherland's reunification. Some comrades stated: To implement the directives issued by the CPC Central Committee is a long-term strategic task. We should be sober enough to adopt a clear-cut stand of the party and the people and make due contributions to implementing the directives issued by the CPC Central Committee.

TIANJIN CPC URGES ENHANCEMENT OF POLITICAL WORK

SK141017 Tianjin City Service in Mandarin 0030 GMT 14 Aug 82

[Excerpts] According to TIANJIN RIBAO, from 6 to 9 August the Tianjin Municipal CPC Committee sponsored a political and judicial work meeting at which participants earnestly studied and relayed the guidelines of the national political and judicial conference, defined the working orientation of political and judicial work in the new historical period and worked out principles and policies concerned. Bearing in mind the actual situation, they also formulated measures for implementing the spirit of the national political and judicial work conference.

Wu Zhen, deputy secretary of the municipal CPC committee, presided over the meeting. On behalf of the municipal CPC committee, Wang Emhui delivered a report on implementation of the national political and judicial conference's guidelines. (Zhang Zaiwang), permanent secretary of the municipal CPC committee, addressed the meeting.

In analyzing the municipal public security situation, the meeting contended that in recent years the municipal social order had become better and better and that the arrogance of criminals had been crushed, resulting in a great decline in criminal cases. The public security status in the busiest sections in the municipality has taken an obvious turn for the better and the masses in these sections have had a sense of security. More and more people in the municipality who dare to struggle against criminals have appeared.

The municipal public security status has not, however, taken a decisive turn for the better and serious and big criminal cases have still successively occurred. In the recent period, serious economic crimes such as smuggling, trafficking in contraband goods, taking bribes, profiteering and swindling and stealing state property continue to increase. There still are serious moral contamination and the social effects of that pollution in some corners and there still are prominent problems of the infiltration of bourgeois corrosive influences. All of this requires us to strengthen the political and judicial work and not to be even slightly negligent.

The meeting noted: The basic purpose for conducting the political and judicial work in the new historical period is to render service for the socialist economic foundation. In line with the four basic principles, it is necessary to enable the economy to play a vital role in protecting and promoting the program of achieving a socialist modernization.

The meeting pointed out: The first important task in conducting current political and judicial work is to resolutely deal blows to serious economic crimes. Continuous efforts should be made to upgrade understanding on this struggle, to define the focus of dealing blows to them and to grasp well the serious and major cases.

The second task in conducting current political and judicial work is to exert all-out efforts consolidate public security in both urban and rural areas and vigorously to implement measures for carrying out public security consolidation in a comprehensive way.

The third task in conducting current political and judicial work is to conduct extensive and penetrating education among the broad masses of cadres and the people in regard to socialism, patriotism and secret security to strictly keep the state secrets.

In conclusion the meeting noted: All departments and units in the municipality should closely cooperate with the political and judicial departments to do a good job in consolidating public security and strive to achieve a decisive turn for the better in the public security situation.

BRIEFS

NEI MONGGOL GOLD INCREASE -- In the first 7 months of 1982, Nei Monggol region turned out 36,790 liang of gold, fulfilling 68.7 percent of the annual output target and topping the peak of the corresponding period of previous years. The refined gold production showed a one-fold increase over that of the corresponding 1981 period. [Hohhot Nei Monggol Regional Service in Mandarin 1100 GMT 12 Aug 82 SK]

NINGXIA RIBAO URGES STRENGTHENING PLA, MILITIA

HK140306 Yinchuan NINGXIA RIBAO in Chinese 2 Aug 82 p 2

[Article by Ningxia Military District political department: "Carry Forward the Patriotic Spirit, Strengthen the Building of the PLA Units and Militia"]

[Text] The date 1 August 1927 marked the glorious birthday of the People's Army led by the CPC. For the past 55 years, by upholding the banner of Marxism-Leninism-Mao Zedong Thought, adhering to the aim of wholeheartedly serving the people and carrying forward the spirit of patriotism and revolutionary heroism, this army has been advancing wave upon wave for the sake of the Chinese people; it fought heroically and achieved great victories one after another. Today, while commemorating with full pride and enthusiasm "1 August," the glorious anniversary of the founding of the PLA, we should adhere to the four basic principles, carry forward the patriotic spirit and fight for building a strong revolutionary, modern and regular army.

Recently, while relaying the general political department's instruction on commemorating the 55th anniversary of the founding of the PLA, the party Central Committee urged conducting patriotic education for the army and people throughout the country, particularly for the youth, to love the CPC, the socialist motherland and the People's Army. This is essential and most opportune. This is an important question to be urgently resolved, particularly for the young people who were in the new society and have grown up under the red flag.

There is still a long way to go before we can heal the mental wounds of the 10 years' internal strife; capitalist ideology is corroding our body, and bourgeois liberalization and serious criminal activities in the economic field are very rampant in some areas. Those who lack national pride have blind faith in foreign things, always hold that the motherland is backward and inferior to Western "civilization" and "prosperity" and even bow and scrape and lose their national and personal nature. All this fully indicates that under the new historical conditions, it is very important to conduct patriotic education for people and the army throughout the country, particularly for the young people, in order to strengthen their national and personal pride. Our army is a new type of people's armed force. From the first day of its founding, it has been put under the absolute leadership of the party and has become deeply rooted in the masses of people. This People's Army could not have been built without the CPC and it could not have been developed and become strong without the full support and aid of the masses of people. We love our great motherland, our great people and especially our great party. Only under the leadership of the party is it possible to enhance the people's patriotic spirit and to realize the lofty ideal of the people who fought for the motherland in our national history.

Patriotism constitutes a priceless spiritual treasure of the Chinese people. If we open the annals of the party's history, we can observe that Mao Zedong, Liu Shaoqi, Zhou Enlai, Zhu De, Dong Biwu, Peng Dehuai, He Long, Chen Yi and other proletarian revolutionaries of the old generation as well as the heroes from the national liberation war and in the defense of the homeland and border area are all most outstanding and exemplary representatives of national patriots. All of their splendid heroic merits can be recorded in our annals. Their noble quality to serve the country and the people will always encourage us to continue fighting to make the country strong and prosperous and to make the people happy.

We, people of all nationalities in Ningxia, also possess glorious patriotic tradition. During the period of the second revolutionary civil war, the masses of people under the party in the Shaanxi-Gansu-Ningxia border area actively joined the army, and collected money and foodstuffs to support the troops at the front. During the war against Japanese aggression, the people of all nationalities in Ningxia made great contributions to the national liberation war victory.

During the liberation war, the Han and Hui people coordinated their activities with the liberation army to eliminate the reactionary troops of Hu Zongnan and Ma Hungkui.

Now our socialist motherland is living in a new era of historical development. All the commanders and fighters as well as the militia throughout the district must actively respond to the party Central Committee's call to carry forward with patriotic spirit and to make new contributions in building and defending the four modernizations.

We must persist in adhering to the four basic principles, carrying forward the revolutionary tradition and always bear in mind our aim to wholeheartedly serve the people in order to develop and strengthen army and militia building and to make ideological and material preparations against a war of aggression. All units must consolidate and expand the fruits of victory in the education of loving the motherland and consolidate and expand the northwest to oppose corrosion. Militia organizations at all levels must conduct education in loving the party, the motherland, the socialist system and the People's Army. Through this education, it is necessary to arouse the patriotic enthusiasm of the militia, to strengthen their faith in communism and firm belief in the party's correct leadership, and to apply the revolutionary drive derived from the education to various tasks such as production, patrolling and training.

To create a socialist spiritual civilization is an important guarantee for building a strong socialist country and a modernized and regularized revolutionary army. We must carry out the activities in the army, such as "to help armymen have lofty ideas, good morality, knowledge and good health; stress the army's standards of appearance and bearing, good manners and good discipline; and fear neither hardship nor bloodshed nor sacrifice," so that the cadres, fighters and militia will possess ideals, morality and culture and observe discipline.

Army-government and army-people unity is the important guarantee for our victory. Party organizations at all levels, the government and all nationalities in our region attach great importance and affection for the army, which is made up of the sons of the people. They are always eager to meet the needs of the units, help the army obtain what it needs, and give full support for army building. In the past few years, closer relations between the army and government and the army and people have been established and their unity has been strengthened. We must carry on the glorious tradition of supporting the government and cherishing the people. Under the unified leadership of the local party committees, together with the masses of people, we must build Ningxia into an unbreakable antihegemonic fortress. By strengthening the army building itself, all army units must make efforts and help the places where troops are stationed to build socialist spiritual civilization. They should frequently solicit the opinions of the local government and people about the army and sincerely accept their criticism. It is necessary to frequently educate the cadres and fighters to remember the aim of the army, to respect the government, to take good care of the people, to carry out the policies, laws and decrees of the party and government in an exemplary way, to strictly adhere to mass discipline, to support local socialist construction within their power and to help the masses develop public welfare. It is necessary to conscientiously carry out the party policy towards nationalities and do more favorable work for the unity of nationalities.

Let us unite under the banner of patriotism, further carry on the glorious tradition of the People's Army, and remember the mission and responsibility of the army. Under the leadership of the party Central Committee and central military commission, let us exert ourselves in the building of a powerful socialist country and a powerful revolutionary, modern and regular army.

CHIANG REAFFIRMS REFUSAL TO TALK WITH PRC

OW160221 Taipei CHUNG YANG JIH PAO in Chinese 11 Aug 82 p 1

[Text] Taipei, 10 Aug (CNA) -- The preparatory committee for the 1982 national development seminar held its last meeting on the afternoon of 9 August to review and sum up the conduct of this year's seminar. The meeting unanimously held that President Chiang Ching-Kuo's speech at his meeting with the general leader, deputy general leaders, panel leaders and deputy panel leaders of the current national development seminar on 22 July was very important and decided to have the full text published. The following is President Chiang's speech entitled "Politics, Culture, Economic Affairs, Science and Technology."

The most significant purpose of the national development seminar is to promote an exchange of views and interflow of wisdom among scholars at home and abroad and thereby to establish a common understanding of the national development program, strengthen their unity, contribute their efforts and push various national development projects continuously forward. Therefore, the national development seminar each year not only provides a place for scholars at home and abroad to exchange views, learn from one another and dedicate their knowledge to the country, but serves as a channel for them to maintain friendly contacts. I think the seminar is indeed of great value and has accomplished a great deal. I have just heard the initial concluding reports by the leaders of the four panels on politics and foreign affairs, culture and education, economic affairs and science and technology and have learned that, as in past years, the national development seminar has achieved many results this year. Now, I would like to put forward some of my personal views on these four topics.

First, politics. At present, our basic national policy is to defeat the Communists and pursue the task of national recovery and to implement the three principles of the people. However, this national policy is not one which has just been formulated today, but a basic policy since the founding of the Republic of China to devote ourselves to the cause of the three principles of the people and to fight for them unremittingly. From overthrowing the Ching Dynasty to defeating the warlords, the war of resistance against Japan, the war to suppress the bandits and put down the rebellion and today's struggle to defeat the communists and pursue the task of national recovery, all our sacrifices and efforts have, without exception, been made for the one purpose of removing obstructions to the implementation of the three principles of the people. Although there have been violent storms, in the end all enemies are defeated by these principles. Therefore, our policy of building the state with the three principles will never change. At the same time we also believe that the great cause of suppressing the Communists and recovering the mainland will certainly win final victory by adhering to this policy.

In retrospect, during the period from the northern expedition and unification in 1928 to the beginning of the war of resistance against Japan, the government had completed many major national development projects according to the national construction guidelines of the three principles of the people, and the Republic of China had made remarkably rapid progress. It was exactly because of this, the Japanese warlords, fearing China's growing power, launched an all-out war of aggression against China in 1937. We were determined to fight till the end to defend our national freedom and independence. Following victory over Japan, we promptly convened the National Assembly, promulgated the Constitution and implemented democracy and constitutional government, thus realizing the principle of democracy. It was most painful to note that the Communist bandits launched an all-out rebellion and unjustly occupied the mainland. As a result, our hundreds of millions of compatriots are living in destitution, and our beautiful land has been turned into a scene of devastation everywhere by Marxism-Leninism.

Therefore, as long as the Communist tyranny remains, our job is not done. Now the achievements made by the government and the prosperity in the bastion of national recovery have fully demonstrated the superiority of the three principles of the people. They have also strengthened our belief. For 71 years, because we have always adhered to our established national policy, our country has stood firm and erect in storms and waves. To recover our mainland territory in the future, we must still rely only on the three principles of the people.

Chinese Communists have perceived that Marxism-Leninism is bound to fail and that the dictatorship of the proletariat is bound to collapse. This is why they are playing the same old trick in an attempt to improve their lot with the cunning scheme of "peace talks" and "reunification." However, everyone should always keep firmly in mind that "negotiation" is a reasonable way to solve problems in the free world, but it is another type of war for the Communists. In other words, when the Communists cannot achieve their ends by force on the battlefield, they pretend to seek peace and try to achieve their ends through negotiation. We have the deepest and most painful experience of this. There were many causes for the fall of the Chinese mainland, but one of the principal causes was that a few politicians and Communist fellow travelers organized groups to hold "peace talks" with the Communists in Peiping. These "peace talks" first of all caused differences of opinion within our own ranks, confused friend with foe and caused the nation to forfeit its central objective. As a result, the nation lost its willpower and strength. Now the Chinese Communists have put forward the so-called "nine-point" proposal and have been clamoring for "peace talks." Just think: The Chinese Communists first wanted to plunge Taiwan in a bloodbath; after they were defeated in the Kuningtou battle and the 23 August artillery battle, they then took the measure of "shelling Quemoy on odd days and not shelling on even days," indicating that they remained in a state of war with us. Then, the Chinese Communists became weaker and weaker with each passing day, because of the turmoil caused by the "Great Cultural Revolution," while our national strength was getting stronger and stronger. It was at that time that the Chinese Communists put forward slogans calling people to "return to the motherland" and "identify themselves with the motherland." But the result was that compatriots at home and abroad "returned" to free China and "identified themselves" with the three principles of the people. Now, the Chinese Communists are harping on the same old string of "peace talks." However, their basic aim has remained unchanged -- to seize Taiwan and put the Taiwan compatriots under their Communist rule. Therefore, we refuse to negotiate with the Chinese Communists or to have any contact with them, so that their cunning scheme cannot succeed. This is not a sign of retreat, much less of fear. On the contrary, it is the Chinese Communists who are afraid of having their negotiation conspiracy rejected. Therefore, our exposure of the Chinese Communists' evil plot is not a passive but a positive measure, a most powerful counterblow to their united front tactics. With our firm stand and growth in strength, we can cause confusion and division among the Chinese Communists themselves and arouse the compatriots on the mainland to resist their despotic rule in an all-round way -- this is the most effective offensive against their united front tactics.

Internationally, some people may not quite understand our firm stand. They think that our policy is too rigid and that we are too stubborn. They are not sympathetic to our stand. This is because they do not know that the morale of our army and people would start collapsing the moment the government toyed with the idea of talking with the Chinese Communists. Then, overseas Chinese would begin to doubt the government's anticommunist policy, their centripetal force would begin to decline and the compatriots on the mainland would give up their hope of regaining their freedom.

Then, the Chinese Communists would be able to achieve their united front objectives. Under no circumstances must we ever toy with such an idea. Therefore, our basic stand will never change, no matter how others may criticize us. After all, which is more important -- our own survival or others' sympathy with us? This is a question that calls for no answer. Under the guidance of this general principle, our policy of national recovery and construction is that we will do with all our strength whatever can improve the well-being of the people. On the contrary, we will never do anything harmful to the future of the nation and the well-being of the people.

Second, let us deal with education and culture. The educational policy of the Republic of China has two objectives: one is universalization and the other equality. It can be said now that both objectives have been achieved. By saying so, I do not mean that there are no defects in our education. In fact, there is much room for improvement. As far as universal education is concerned, the school attendance rate for school-age children is now more than 99 percent, and there is almost no illiteracy. As for equality in education, children of any family, regardless of their parents' occupation and social status and with the determination to make progress, enjoy absolutely equal opportunities to receive various types of education under fair competition. This is why students of our institutions of higher learning and graduate schools and those studying abroad have various family backgrounds and different experiences in life. This fully shows that all our young people enjoy equal opportunities to receive education. In addition to school education, social and family education, of course, are also very important and should be coordinated with school education. Only thus can we guide young people to be good citizens. Now people think that the general mood of society is not so good. Juvenile delinquency is not infrequent. This shows that it is necessary for us to study and solve such problems and improve our educational work. We should try to understand young people's ideas and problems, give them sympathetic guidance and help them solve their problems. People can become good citizens only through good education. Only with good citizens can there be a wholesome society. We should work harder for this.

In culture, the Chinese Communists have been frenziedly destroying our national culture and replacing it with Marxism-Leninism, while we have done everything we can to preserve the culture of the Chinese nation. We are determined, not only to have the culture of the Chinese nation take root and develop on this bastion for national rejuvenation but, more important, to achieve the objectives of national recovery and construction by developing our national culture. We profoundly realize that education and culture of the Chinese nation, which is of long standing and well established, can never be replaced by foreign Marxism-Leninism. We are also firmly convinced that the comprehensive and profound culture of the Chinese nation and our educational policy on the basis of benevolence are where our strength for opposition to Communism and for national economy lies.

Next, let us discuss the economy. Everyone says that our economic achievements are quite remarkable. The achievements are apparent in the people's well-fed and well-clothed appearance. Of course, we are still facing challenges in economic development at higher levels. However, we have followed our national father's [Sun Yat-sen] principle of social well-being as the supreme guidance for our economic construction from beginning to end. Because we are taking a correct road, all our policies and measures can promote good coordination between government-operated and private enterprises, develop agriculture, industry and commerce in proper order, constantly increase the people's income, gradually narrow the difference in people's incomes and steadily make us advance toward the ideal goal of "everyone is rich."

Therefore, we have fortunately laid a sound foundation for our economic construction. If we continue to orientate our efforts in this direction, we will surely make still greater developments.

There are many schools of economic doctrine and theory and each has its theoretical basis. But I do not think it is possible to solve all economic problems by theory alone. The important thing is that the economic policy we choose to implement must comply with the condition of the country and conform to the people's interests. The government is responsible to the people for any measures it adopts. Therefore, it must overall consider the advantages and disadvantages of a measure to prevent it from causing any loss to the people. Whatever conforms to the people's interests also conforms to the national interests as a whole. Take the question of whether we should give higher priority to growth or to stability -- a question which was a recent lively topic of discussion -- for instance. I think that both should be treated as equally important. In practice, we should coordinate properly, according to circumstances, so that a steady national economic growth will yield its greatest advantages while having the least adverse effects on the people's livelihood.

Last, on science and technology. In order to make our national construction continue to advance toward modernization, it is indeed a task of top priority to absorb, import and transfer new scientific and technological knowledge and make it take root in our country. Our government is adopting various measures to encourage scientific and technological developments, but it is the most important to train, reward and promote talented persons. Many of you present at this meeting are scientists or engineering experts, with specialized knowledge and accomplishment abroad. I hope that scholars residing in foreign countries, like you, constantly return home to direct scientific and technological research at home and accelerate the development of national construction.

We have formulated a plan for turning our country into a developed country in the 1980's. The scientific and technological development is the key to the success of this plan. Therefore, we must pool the wisdom of the academic circles at home and abroad, industrial circles and the national defense department, make joint efforts to create new things and work for perfection and progress.

Since its inception, the national development seminar has made great contributions every year. This is because we are working with one heart in a free and democratic society and pooling our wisdom for national prosperity and the people's well-being. We are unlike the Chinese Communists who, engaged in waging struggles, destroying culture and persecuting talented persons all day long, have made the China mainland poor and barren. In contrast, we are like a brilliant and hard diamond, while the Chinese Communists are like a heap of rotten scrap iron. Therefore, we have full confidence in the great cause of opposing communism and recovering the mainland. We will finally succeed and win.

SUN YUN-HSUAN VISITS OFF-SHORE ISLANDS

OW160343 Taipei CNA in English 0317 GMT 16 Aug 82

[Text] Kinmen, Aug. 16 (CNA) -- Premier Sun Yun-hsuan flew ... amen last Friday and conveyed President Chiang Ching-kuo's regards to the armed forces stationed there. In the company of Hau Pei-tsun, chief of the general staff and commander on Kinmen, Premier Sun also inspected the front line satellite isles including Ta An and Erh Tan. At a breakfast meeting with officers and cadres in Kinmen last Saturday morning, Premier Sun said the communist regime has launched a "peace offensive" against the nation in order to destroy the unity and safety of the people in Taiwan. He urged the officers and soldiers there to keep alert against the communist united front plot and repel Red China's invasion. Premier Sun visited a fishery laboratory, a farm products laboratory and an expanded power plant in Kinmen. After leaving Kinmen, [the] premier flew to the Penghu Islands to inspect the defense and cultural development there. In the company of magistrate Hsieh You-wen of Penghu County, the premier called at the newly completed cultural center.

PAPER ON BEIJING 'SILENCE' ON U.S. ARMS STANCE

OW150150 Taipei CHINA POST in English 11 Aug 82 p 4

[Editorial: "Peiping's Strange Silence"]

[Text] U.S. President Reagan's announcement that the United States will continue its military aid to the Republic of China was greeted with stony silence in Peiping. In the past, Communist China had protested violently. Sources in Washington revealed that President Reagan hoped the United States and Red China would issue a joint communique explaining the level of American assistance would not increase either in quality or quantity. The New York TIMES reported Peiping refused to issue such a communique.

If Mr. Reagan is seeking to keep the communists off balance, he is succeeding. Peiping in the past has protested strenuously to the continuation of arms sales to the Republic of China. Peiping insists Taiwan is a province of the communist "government" and regards Taiwan as its "territory."

In his attempt to spread confusion on the mainland Mr. Reagan hinted that U.S. military aid to Taiwan might be suspended in the future. Perhaps this is why Peiping has chosen to remain silent. However, if this is Reagan's intent, it will be thwarted by U.S. Senator Barry Goldwater and other senators friendly to the Republic of China. Senator Goldwater recently told Reagan that if assistance to Taiwan is cut off, the President will face a stiff fight in the U.S. Senate.

Our own interpretation of this flurry of press reports is that there is no doubt that the Republic of China will continue to receive American assistance for as long as it is needed. The fact is that Communist China's position continues to deteriorate as people in more and more of the mainland provinces continue to increase their opposition to Peiping.

It may well be that this is President Reagan's thinking as well. The new U.S. foreign secretary is well versed in the situation and is known to be friendly to the Republic of China. He is as well a good friend of Saudi Arabia, which is a true friend of the Republic of China.

In Taipei, Liu Ta-jen, the Foreign Ministry spokesman, said the government is more confused than concerned. He explained, "it is not our policy to comment on such an important issue on the basis of press reports that appear to be of a speculative and contradictory nature."

In one of America's national elections a favorite quotation was, "God, am I confused." It can be applied to Communist China now.

INCREASED TRADE SOUGHT WITH OTHER NATIONS

Chu Fu-sung Speech

OW130444 Taipei CNA in English 0320 GMT 13 Aug 82

[Text] Taipei, Aug. 13 (CNA) -- Foreign Minister Chu Fu-sung Thursday stressed the importance of developing substantive relations with countries having no diplomatic ties with the government here. Speaking at the 61st session of the Committee on Constitutional Research of the National Assembly, Chu said the government should actively take part in international conferences and activities, enhance international cultural interchanges and exchange visits.

"Substantive external relations help expand our trade, develop and advance industry and technology," Chu indicated, adding they ensure the status of this country in the world.

"By attending international meetings and activities, the government is able to build up its image to the other countries, and can in many ways help protect the nation's interests," Chu pointed out.

He commented that Peiping's recent offer of the so-called peaceful unification is another round of its united front tactics, aiming to stop the United States from selling advanced and sophisticated weapons to the ROC [Republic of China], disintegrate the relations of the ROC and other countries, and isolate the country from the world.

By repeatedly claiming that they are willing to have peaceful unification with the government here but are rejected in this effort, the Chinese Communists have created an erroneous image of the Republic of China in the world. Chu asserted it is important to strengthen the nation's substantive relations with other countries and build up the image of the ROC. He reiterated the basic national policy of not coming to terms with the Communists. The meeting was opened in Taipei Thursday by Dr. Ku Cheng-kang, deputy director of the Committee on Constitutional Research.

Netherlands Trade Growing

OW111305 Taipei CHINA POST in English 8 Aug 82 p 8

[Text] According to official figures compiled by the government here, trade with the Netherlands is booming in spite of efforts by the Communist regime on mainland China to squelch relations between the Republic of China and European nations. Official figures show that the two-way trade between the Republic of China and Holland for the first half of 1982 totalled US \$236 million, placing the Netherlands fourth in importance as a European trading partner with the ROC after W. Germany, England and France.

The Euro-Asia trade organization has revealed that the outlook for trade between the Republic of China and the Netherlands is very good and that a team of ROC businessmen will visit the Netherlands in the near future to further cement economic ties between the two nations.

Submarine Sale to ROC

Economic ties between the Republic of China and the Netherlands were believed to have been dealt a serious blow with the refusal of the Chinese Communist regime to ratify a cultural treaty with the Netherlands in relation for Holland's acceptance of an order from the ROC for two submarines. The Dutch Government has agreed to fulfill the order in spite of the Communist regime's opposition. In addition, the Communist Chinese have also refused to ratify a treaty on economic and technical relations. Both treaties were signed during a visit to the mainland by a Dutch official, but have been laid aside due to the submarines sale.

Dutch-ROC Ties Growing

Disregarding the Communists' objections, the Dutch Government has continued to allow economic ties between the Netherlands and the ROC to grow in an atmosphere of mutual goodwill.

One indication of this attitude is the agreement on the part of one Dutch company operating in the ROC, Philips Electronics Industries (Taiwan) Ltd., to provide highly technical software here, as well as to proceed with the training of technicians in the Republic of China.

ISSUE OF PRC-U.S. CULTURAL EXCHANGES DISCUSSED

HK160402 Hong Kong WEN WEI PO in Chinese 16 Aug 82 p 2

[Editorial: "The Disappearance of Hu Na and Sino-American Cultural Exchanges"]

[Text] Chinese tennis player Hu Na was sent to Mexico last year to take part in a tournament in which she succeeded in winning the Casablanca Cup. At the invitation of the U.S. Tennis Association, she went to Santa Clara, California in July this year to take part in the Association Cup tennis tournament. She suddenly disappeared a few days later.

The incident occurred at a time when Sino-American relations were steadily deteriorating. The Reagan administration insisted on the sale of weapons to Taiwan and refused to set a time limit for this. China has issued statements and lodged protests, pointing out that this constituted an interference in China's internal affairs and that if the United States should cling obstinately to its course, Sino-American relations would suffer a regression. It was at this moment that the incident of Hu Na's disappearance in the United States occurred. This has deepened the rift in the Sino-American relations. On the other hand, a number of U.S. senators took advantage of this opportunity to make a great issue of it. They filed a draft joint resolution demanding that Hu Na be granted political asylum. Taiwan coordinated on the issue from afar by welcoming Hu Na to "settle down in Taiwan." The United States and Taiwan were putting on a two-man act. The spoken parts of the act were to the effect that China was undemocratic and that it practiced political persecution so that Hu Na had to seek political asylum and so on.

Did Hu Na seek political asylum of her own free will? What was the actual state of affairs? We are unable to find out how the matter stands. From the various conjectures about the "disappearance" revealed by the news broadcasts in both the United States and Taiwan, it is clear that some people were engaged in mischief behind the scenes. However, it is absolutely true that Hu Na has never suffered "political persecution." Hu Na seeking political asylum in order to escape political persecution is an argument which does not hold water.

Hu Na went to the United States at the invitation of the U.S. Tennis Association. Some people said that the Tennis Association is a nongovernmental organization, which means that the U.S. Government has no responsibility to protect her safety. This was a preposterous argument. Hu Na's trip to the United States was arranged in accordance with the agreement on Sino-American cultural exchange. The U.S. Government has the duty to ensure her safety, whether the invitation came from a governmental or nongovernmental organization. Since it accepted her arrival, it should also ensure her return. Otherwise, how can the two countries promote mutual cultural and sports exchanges? China cannot help but be doubtful as to whether the United States issued the invitation with ulterior motives to let some sneaky fellows in the CIA give full play to their skill.

The Chinese Government is unequivocal in its attitude. A Foreign Ministry spokesman pointed out that "the U.S. side must be responsible for the personal safety of the Chinese tennis players and, at the same time, send Hu Na back to China." China's ambassador to the United States, Chai Zemin, also told reporters: "We hold that the United States should find her as quickly as possible and then send her back to China." Otherwise, the cultural exchanges between China and the United States will be greatly affected. It is said that the U.S. State Department is reviewing the case. It is hoped that it will seriously consider the Chinese Government's stand and will not undermine the cultural exchanges between China and the United States on account of Hu Na. The question is whether to continue fabricating the incident of Hu Na's disappearance and sabotaging Sino-American cultural exchanges on the pretext of granting her "political asylum," or to abide by the agreement on cultural exchanges by ending this ugly act and sending Hu Na back. This is a decision that the U.S. State Department should make with circumspection.

TA KUNG PAO ON U.S.-JAPAN MILITARY RELATIONSHIP

HK131108 Hong Kong TA KUNG PAO in Chinese 12 Aug 82 p 2

[("Newsletter From Japan" by Chang Cheng-chien [1728 2052 0467]: "Readjustments in Japanese-U.S. Military Relationship"]

[Text] The U.S. global strategy is to maintain strategic superiority in Europe, keep a strong counterforce in the Middle East and reduce its military presence in Asia. The strategic guideline for Asia for the next 5 years put forth by Reagan after assuming office calls for greater U.S. emphasis on Southeast Asia. "The supreme goal in northeast Asia and the Pacific is to join the friendly countries and allies in these areas in preventing the expansion of the influence of the Soviet Union and Vietnam." Therefore, "Japan must considerably increase its defense strength, so that the Japanese-U.S. military relationship can be turned into that of active defense partners." Strategically speaking, Japan and the United States are in agreement. However, in concrete terms, there is still a gap between Japan and the United States. This gap has been increasingly widening.

A Gap in the Understanding of the Soviet Union

The United States holds that the military balance between the United States and the Soviet Union has undergone changes in the past 10 years. The balance has tilted in favor of the Soviet Union. Since the Soviet Union sent troops into Afghanistan, Western countries have failed to come up with effective countermeasures. Now, the Soviet Union has acquired the military strength to embark upon still greater adventures. As the Soviet Union faces many difficulties at home and in Eastern Europe, it may in the future use military means to further carry out external expansion. The United States has sensed the Soviet threat most seriously.

Japan considers that there is basically a military balance between the United States and the Soviet Union in the Pacific area. It still cannot be said that the situation is in favor of the Soviet Union. Because the Soviet Union itself has great weaknesses and also because its regular forces are directed mainly at China, at present it still cannot immediately pose a serious military threat to Japan. Based on such understanding, Japan has consistently failed to satisfy U.S. demands in regard to the scale and pace of military expansion. Besides, Japan is restricted by Article 9 in its Constitution and the three nonnuclear principles. Public opinion at home and abroad also opposes the conversion of Japan into a military power. For these and other reasons, Japan does not dare to openly accept the U.S. demand.

From the Japanese-U.S. military talks in Hawaii in June last year to U.S. Secretary of Defense Weinberger's visit to Japan in March this year, Japan and the United States on many occasions exchanged opinions and readjusted their differences in their understanding of the Soviet Union.

The New "Intermediate Professional Estimate" Is a Product of Readjustment

The Japanese Defense Agency approved on 23 July the "Intermediate Professional Estimate" for 1983-87. This shows that there has been great progress in the readjustment of opinions between Japan and the United States in the military field. For example, in 5 years, a military outlay of 4.4 trillion to 4.6 trillion yen will be devoted to increasing military equipment, with an emphasis on greater naval and air force strength. The generals of the Defense Agency said: "As far as the immediately available equipment of the land, sea and air forces in proper proportions is concerned, Japan will have strength second only to that of the superpowers and Britain and France."

The air force will add 75 high-performance F-15 fighters in 5 years to the existing number of planes, raising the total to 155. Some of them will be assigned to Iwo Jima to counter the Soviet Backfire tactical bomber.

Thus, the Japanese air force will team up with the U.S. Air Force stationed in Japan, not only undertaking anti-Soviet air defense assignments on Japan's islands, but also playing the role of intercepting Soviet Backfire tactical bombers intruding into Pacific airspace.

As far as antisubmarine planes are concerned, 50 P-3C's will be added in 5 years to the existing number of aircraft, making a total of 75. Thus, in number of P-3C planes owned among Western countries, Japan will rank second after the United States. The performance of the P-3C is two or three times better than that of the P-2J version which represents the core of Japan's current fleet of antisubmarine planes. Given an additional supply of 60 escort vessels (40 armed with guided missiles) and 15 submarines, Japan can cope with Soviet submarines in the northwest Pacific to a certain degree, making up for the U.S. deficiency in antisubmarine capability in this region.

In a speech at a press conference after his Washington talks with President Reagan in May last year, Prime Minister Zenko Suzuki said: "Japan must defend its 1,000-nautical-mile sealane." Immediately after his speech, U.S. Secretary of Defense Weinberger, putting forth his demand, said: "I understand that the speech by Prime Minister Suzuki is a pledge to the American people. It is hoped that he will keep it without fail. It is also hoped that the defense of the sealanes will be extended to north of the Philippines and west of Guam Island." Later, in the Hawaii talks in June last year, the U.S. side again put forward a concrete demand to the Japanese side. It was demanded that Japan, in 5 years, increase the number of escort vessels to 70, submarines to 25, F-15's to 200 and P-3C's to 125. The U.S. plan is that, in case of trouble in Europe or the Middle East, the 7th Fleet and 5th Fleet Air Forces, the main U.S. force in the Far East, will be transferred to the Indian Ocean or the Persian Gulf. At that time, military strength in the Western Pacific will inevitably be greatly reduced. Japan must strengthen its naval and air forces "as quickly as possible and to a maximum extent," enabling the United States to be able to transfer with "ease of mind" its main Far East force to the major battlefield. The joint five-nation exercise in the Pacific in which Japan participated not long ago was based on the assumption that the Japanese Self-Defense Forces at sea would carry out some of the fighting assignments of the 7th Fleet. This means that Japan's military strength is taken into account in the U.S. strategy for Asia. The "Intermediate Professional Estimate" has obviously represented a big step forward in meeting the U.S. strategic demand.

The U.S. attitude is that it will not only make a positive assessment of the "Intermediate Professional Estimate," but also convey the idea that the estimate "still falls short of meeting its demand." The day the new "Intermediate Professional Estimate" was approved by the Japanese Defense Agency, the U.S. Department of Defense published a report on "the contributions to joint defense by the allies" NATO and Japan, pointing out that although already an economic power, Japan made the least contribution among 15 Western allies in its share of the defense effort. The Japanese and the U.S. authorities will again meet in Hawaii in the second part of August this year. It is expected that there will be new progress in military cooperation between Japan and the United States.

Japan Has Its Own Plans

The readjustment of the Japanese-U.S. relationship will be easier in the military field than in the economic field. Why? Historically speaking, Japan, since the Meiji restoration, has on the one hand contended for hegemony with Britain, the United States and other powers in the name of "Asia being for Asians." On the other hand, it has relied on its alliance with certain imperialist countries to realize its ambition to invade small nations to assert its dominant role in Asia. The seeds of this strategy of the Japanese ruling group did not die with Japan's defeat in World War II. These seeds have all along remained in the minds of the ruling group. Before the 1980's, an ideal climate and soil did not exist for such a strategy.

Until a few years ago, Dr Kissinger worried about Japan. The United States had consistently restricted the reorganization of Japan's naval and air forces for fear that Japan would again use its military strength to contend for spheres of influence. Now, the situation has changed. The United States needs Japan's naval and air force strength to make up for the deficiency in its global strategy, thus holding out to Japan the possibility of sending troops out of its country. Therefore, concerning the U.S. demand for increased military strength, Japan does not dare to seek military expansion with great fanfare, because of the opposition of public opinion at home and abroad. But deep down, Japan sees an opportunity to stage a comeback. Japan is provided with the necessary conditions to replace part of the U.S. role in Asia through its military cooperation with the United States -- to realize its ambition to reassert its dominant role in Southeast Asia by relying on a Japanese-U.S. alliance. Of course, Japan is relatively cunning in its approach. It gives the appearance of "expanding the army under the pressure of the United States." In fact, it has made a two-pronged effort to step up preparations in regard to both public opinion and military matters. The Education Ministry's embellishment of militarism and distortion of the history of aggression is only part of the effort to prepare public opinion. Asians can never be indifferent to the readjustments in the Japanese-U.S. military relationship. While noting that these relations play a part in fighting Soviet hegemonism, we must also take note of the beginnings of a desire on Japan's part to take advantage of this opportunity to stage a comeback.

CHIANG CHING-KUO REJECTS TALKS 'OUT OF FEAR'

HK131000 Hong Kong TA KUNG PAO in Chinese 13 Aug 82 p 2

[("Political Talk" column by Shih Chun-yu [2457 0689 3769]: "Chiang Ching-kuo Rejects Peace Talks Out of Fear"]

[Text] The Difference Between Text and Reported Summary

The day before yesterday, newspapers in Taiwan published remarks by Chiang Ching-kuo, made when he received the heads of various groups of people who attended the national development seminar. The timing of the publication of the speech is worth noting. Chiang Ching-kuo made these remarks on 22 July and the next day newspapers in Taiwan published a summary of his remarks. However, it was not until the day before yesterday, nearly 3 weeks after he spoke, that the text of the remarks was published.

The timing of the publication of the text is strange, but it is even more strange that the major points of the remarks were not included in the summary which was published 3 weeks earlier. It is especially strange that the previously reported summary mentioned nothing about what was said in his remarks about Beijing's proposal for "peaceful reunification."

In Regard To Dealing With Liao Chengzhi's Letter

Another point to consider is Liao Chengzhi's letter to Chiang Ching-kuo. On 24 July, 2 days after Chiang Ching-kuo spoke to those who attended the national development seminar, Liao Chengzhi sent a letter which said: "Through all the disasters, brotherhood has remained; a smile at meeting, and enmity is banished." It was said that the letter reached Taipei the same day it was sent.

When the Taiwan authorities published the text of Chiang Ching-kuo's remarks they focused on stressing the point that Taiwan would "never negotiate with the CPC." This was very different from the reported summary that was published 3 weeks earlier.

This difference was perhaps due to internal reasons, but it was perhaps also due to some external consideration. Whatever the case, we can see that although the remarks were made before Liao Chengzhi sent his letter, the recent publication of the remarks is in no way meant to be a response to Liao's letter.

Admitting Beijing Under Pressure Both at Home and Abroad.

Although, in his speech, Chiang Ching-kuo was resolute in refusing to hold talks on peaceful reunifications, a few things he said betrayed his passive position. He cited the peace negotiations during the war of liberation at the time before the PLA crossed the Chang Jiang, and thought that the peace negotiations at that time "brought about internal conflicts, confused the demarcation line between the enemy and ourselves and made us forget the key goal of the state. As a result, we lost our willpower and our strength." This reference to the past to explain the present situation shows that his present fear is as great as that in the past.

He also talked about international pressure and was of the opinion that "our policy is too rigid and too stubborn and fails to win sympathy in the world." However, he later admitted another fact: "The only reason is because they do not know that if we show the slightest sign of holding talks, the morale of our troops and people will begin to fall, and therefore such an attempt is by no means feasible."

These words show a mentality that can be best described as outwardly strong, inwardly weak.

Begging for Fighter Aircraft From the United States and Calling Back the Spirit of Hideki Tojo.

Though Chiang Ching-kuo talked about the "three people's principles," what the Taiwan authorities have done is far from these principles. For example, in comments by Sun Yun-hsuan to American reporters, published yesterday by the CENTRAL NEWS AGENCY, he still stressed that relations between the United States and China are "beneficial to one another if maintained, but harmful to one another if cut off." Thus, the Taiwan authorities have put their own destiny in other people's hands.

At the same time, when Sun Yun-hsuan said that "although the relevant department in the U.S. Government is not willing to sell us highly sophisticated fighters for the time being," he again stressed that "he hopes the United States will sell new-type fighter aircraft and other weapons."

During the last couple of days, people have been paying attention to the problem concerning the revival of Japanese militarism. Chinese film workers have indignantly pointed out that when the Japanese Eastern Film Company was shooting the film entitled "The Great Japanese Empire," which is aimed at calling back the spirit of Hideki Tojo, the Taiwain authorities sent troops to help the company in shooting the film.

Desire to Abolish Even the National Development Seminar

When Chiang Ching-kuo spoke about his rejection of peaceful negotiations, he obstinately said that "this does not mean we flinch or fear to hold negotiations.: In fact, the Taiwan authorities are even considering whether or not they will abolish the annual national development seminar which is held for appearances sake, because they have found it difficult to deal with the speeches at the meeting (please refer to LIEN HO PAO, 10 August). If we do not call this fear, what should we call it?

TA KUNG PAO ON PRC OPEN-DOOR ECONOMIC POLICY

HK090846 Hong Kong TA KUNG PAO in Chinese 9 Aug 82 p 1

[Special feature by Tung Kai (5516 0418) "Steady Development Through Using Foreign Investment"]

[Text] Open-Door Policy Will Never Change

Over the past few years, the utilization of foreign funds to run joint ventures has gradually been brought into line with the general plan for China's economic development. Thus, the joint ventures using Chinese and foreign investment have been developing more healthily.

Of the 20 joint ventures using Chinese and foreign investment which were established last year, 16 are light industrial and textile projects, foodstuffs enterprises, electronics and electrical machinery factories and oil projects. This shows that 80 percent of them are industrial items. The joint ventures established in 1980 included three hotels, but no hotels were included among those established in 1981. They were all productive enterprises, most of which were urgently needed in China for economic growth, such as light industrial and textile projects and electronics factories. While developing each of these projects, the advanced technology and equipment which China needs most can be introduced.

Of the 40 joint ventures using Chinese and foreign funds which have been established, 23 are old enterprises to be expanded and rebuilt. Very few of them are new enterprises. This is so even in a large number of other factories and compensatory trade ventures jointly run by Chinese and foreign businessmen. Almost all of them are old enterprises to be rebuilt or expanded or to undergo technological reforms.

This can be seen more clearly from the 130 items which were put forth by the "China investment promotion meeting" held in Guangzhou and for which negotiations are now underway. Only six of them, comprising less than 5 percent, are new projects. More than 95 percent are projects to be expanded, rebuilt or to undergo technological reforms. This shows that China is more interested in using its present enterprises and raising economic returns than in expanding the scope of its capital construction. This is also a requirement of China's economic readjustment and industrial reorganization.

If at the initial stage of cooperation in joint ventures with Chinese and foreign investment there was blindness on the Chinese side and some actions were taken in haste, then, as things have already shown, with the development of cooperation, China has become more serious and careful in combining the establishment of joint ventures with its domestic economic development and has brought it into line with the plan for its national development.

Joint Ventures Brought Into Line With State Plan

Actively bringing the enterprises and projects jointly run by the Chinese and foreign businessmen into line with the state plan for economic development will have a great and profound impact on the economic cooperation between China and other countries. Both sides will benefit from this.

First, it is advantageous to China's economic development to require that all Chinese-foreign cooperative projects suit the needs of China's economic development. For example, such projects as the production of oil, coal, electricity and other forms of energy, the construction of railways, ports and other communications and transportation facilities and the development of postal and telecommunications services, the exploitation of mineral resources and the production of new-type construction materials, the production of some basic components for electronics and other industries and so forth, are not only urgently needed by China today, but are also necessary in the long-term development in the future. Besides, they generally require more investment. Thus they have naturally become the main aspects of China's utilization of foreign capital. Of course, China is also willing to cooperate with foreign businessmen in some projects which can help improve the quality of Chinese products and increase China's export trade.

Second, the procedure of establishing Chinese-foreign cooperative projects will also be greatly changed. At first, due to the lack of necessary preparations in various localities, when foreign businessmen came to talk over the matter, the enterprises usually held talks with them in great haste. However, since the enterprises knew very little about the overall situation and the national economic development arrangements and lacked experience, and some projects which seemed to be needed by the enterprises were actually not urgently needed by the state, although many talks were held, very few resulted in success.

Things are greatly different when the cooperation between Chinese and foreign businessmen is brought into line with the state plan. Each of the projects in which foreign businessmen will cooperate is listed in the plan. When a project is considered to be necessary and foreign capital can be used, priority will be given to this project in the supply of raw materials, water, electricity, gasoline and communications and transportation facilities, conditions will be created for the sales of its products and perfect data will be provided. Then efforts will be made to seek foreign participants.

Reinforce Economic Strength Through Using Foreign Investment

To bring the direct investment of foreign businessmen into line with the state plan is obviously beneficial to China's economic development. In this way, the blind development of similar projects or those which are not urgently needed can be prevented and the waste of manpower and material resources can be avoided. At the same time, foreign investment can be used to augment China's economic strength. Moreover, it is also good for the joint ventures.

First, since the projects are brought into line with the state plan and are deemed necessary by the departments concerned, once the talks are held successfully by both sides in the cooperation and agreements or contracts are signed, it is easier for them to be approved by relevant departments and win support in various aspects.

Second, under the present economic management system in China, raw materials, fuel and transportation facilities for various enterprises are allocated by the state under a unified plan. Most of them cannot be bought from the market. When a project is brought into line with the state or local plan, it means that the state or locality has made an overall accounting of the raw materials, coal, electricity, water, gasoline and transportation facilities needed by this project and can satisfy its needs. Thus, a relatively steady supply of raw materials and energy can be ensured during the construction of the project and after it is put into operation.

Third, China's market is under state unified management. Although in recent years various flexible measures have been adopted in order to stimulate the national economy, generally speaking, China's market is under unified management. Except for those to be exported, the products of the joint ventures, which will be sold in China's national market, must suit the needs of China's market. Only those products which have been brought into line with the state plan can have good sales.

Jointly Owned Enterprises Have Independent Decision-Making Power

Some people in foreign countries may think that when they invest in China they will thus be controlled by China's state plan. As a matter of fact, this is a misunderstanding of China's policy. It is only in the macroeconomic sense that joint ventures are brought into line with the state plan. As to the cooperative projects, especially the joint ventures using Chinese and foreign investment, they have been granted independent decision-making power in management in accordance with the provisions in the "Law of the PRC on Joint Ventures Using Chinese and Foreign Investment." The state's plans are only suggestions and references for these enterprises and not directives and orders. All the business activities of the joint ventures are responsible only to the boards of directors, not to the state plan, and both investors share the powers, profits and duties according to the provisions in the signed contracts.

Through the study of the characteristics and trends of China's absorption of foreign investment, we can see that after a few years of practice, China has entered a stage of steady progress in using foreign investment.

HONG KONG OBSERVERS' POSITION PAPER ON 1997

HK130456 Hong Kong SOUTH CHINA MORNING POST in English 13 Aug 82 p 11

[Text] THE HONG KONG OBSERVERS' POSITION PAPER ON THE HKO POLL AND THE FUTURE OF HONG KONG (I.E., THEIR INTERPRETATION). [published in boldface]

The Hong Kong observers believe the future of the territory is an issue which deserves and demands the fullest consideration of Hong Kong people -- NOW. [published in italics] It is too important an issue to leave to the British and Chinese Governments to resolve on their own. Hong Kong's future is a matter which will affect not just investors, but each and every Hong Kong person. On the one hand, the British Government says it has an "unshakeable commitment" to Hong Kong (the words of the former foreign secretary, Lord Carrington). On the other, the Chinese leaders have stated that investors can put their hearts at ease. But what do these statements mean when seen in the context of our ordinary lives? Not a lot.

The atmosphere is confused by public speculation. How can China and Britain know what Hong Kong people want when they have heard only the worried voices of the business community, and when Hong Kong people have not expressed their views? The non-existence of a collective voice is particularly worrying. The observers feel it is important that the people articulate their views on what they want their future to hold. It was toward this objective that we commissioned a public opinion poll in May-June this year.

The observers' poll is first and foremost a fact-finding exercise. However, the data collected provides supporting evidence for our stand on Hong Kong's future and, more precisely, the territory's future administration. Also, we hope our poll's findings will help each Hong Kong person to form his/her own stand. The notion of "borrowed time, borrowed place" must be replaced by a concept of permanence.

The poll showed that 49 percent of the people were concerned about the 1997 problem, against 17 percent who were not concerned at all. Moreover, 33 percent said the issue should be resolved within two years and another 20 percent said it should be resolved within five years.

The observers recognize the People's Republic's formal position on Hong Kong: That it is China's territory which will become part of China eventually. We must face up to the inevitability of change. But before any changes take place, Britain and China must recognize that Hong Kong people have the right to a transition process which safeguards their interests.

Our plea is for a voice in shaping our future, for autonomy. It is NOT [published in italics] a call for independence. We recognize that Hong Kong can never be an independent city state. We ask for autonomy within China. Inherent in our plea is that China appreciates the fact that, due to historical reasons, Hong Kong people have grown up under a totally different social and economic environment. There is thus a need for China to consult the people, not just investors, when it formulates plans for Hong Kong's future. So must Britain. For consultation to be meaningful, Hong Kong people must have a collective voice.

Only 12 percent of the people considered returning Hong Kong to China an acceptable solution. We feel this is not a slight on China's dignity. The reasons why the majority would not like Hong Kong to be returned to China is the fear of a loss of freedoms and the vast difference in living standards.

If China were to tell Hong Kong people in clear terms that there will be no erosion of rights and living standards, the observers believe that reunification with China would be more acceptable to the Hong Kong people. It will also mean an end to the feeling of living in a borrowed place on borrowed time and the start of national pride and cultural identity.

It is also important that China recognizes the need to allow Hong Kong people legal titleship to property. Our poll shows that 76 percent of Hong Kong people want to own a flat.

Moreover, 95 percent said they would remain in Hong Kong if the status quo were to be maintained. Though 43 percent of these people said they would emigrate if they had the chance, it is not simply the prospect of a political change which makes them want to leave, but also problems of overcrowding here, on the housing and traffic fronts, as well as crime.

Eighty-seven percent said maintaining the status quo was the most acceptable solution. The observers want to improve on the status quo. The need to do this is obvious: Nearly half of the people (47 percent) consider official explanations of policies inadequate, as against 22 percent who said they were adequate.

Awareness of channels of communication with the government ranged from three percent for the CAC to 30 percent for the district boards. The government's much-vaunted city district offices came a close second to the district boards with only 29 percent. A mere eight percent were aware that Umelco was a channel of communication.

Asked whether they thought the Hong Kong government did a good or bad job in looking after the people's interests, 36 percent said its performance was good, 24 percent that it was poor, 23 percent that it was ordinary, while 17 percent said it was good and bad in parts. A mere two percent thought the government was doing a good job in responding to public opinion.

So much for "government by consultation." The potential for people's involvement in improving the quality of life is still largely untapped: When asked whether they agreed with the view that individuals did not have any long-term plans because of the uncertainty of Hong Kong's future, 59 percent agreed, compared with 34 percent who disagreed. This contrasts with the 73 percent who agreed that "no matter what happens, I must make some contribution to Hong Kong" (only four percent disagreed).

The observers feel that efforts to improve the quality of life -- by having a more caring community -- require long-term planning, the sort which generally does not exist in the government as well as among individuals now.

The governments of China, Britain and Hong Kong must realize that Hong Kong people stand to gain or lose the most, whatever solution is reached over the 1997 issue -- hence their obligation to listen to the people's views.

The way of life to which we have grown accustomed -- the freedoms of thought, speech, of responsible action, of socio-economic advancement, and our right to a rising standard of living in a modern economy -- is not guaranteed by the British and Chinese statements uttered so far. Moreover, 62 percent of the people polled said they did not regard as adequate the assurances given by Chinese leaders to date.

Despite the fact that 84 percent of the people's lives are not currently affected by the uncertainty of Hong Kong's future, and that only 38 percent feel their views have any influence, an overwhelming majority -- 95 percent -- felt the people should play a part in deciding the future of Hong Kong.

The observers feel that if preservation of the Hong Kong way of life -- and improvements to it -- is to be achieved, they must articulate their desire to see this. There is no need to feel helpless. After all, 89 percent consider Hong Kong as home. We must not be afraid of wanting to preserve our interests, because this wish can be directed to help China's modernization efforts.

By preserving and enhancing the one asset we have -- enterprising human resources -- the world can look upon Hong Kong as a great Chinese community and a centre of efficiency for business and financial interests. Already, 86 percent of the people say they like living here. If these people can be convinced that they can make their life investment here -- that Hong Kong is a place where they can be proud of bringing up a family, and be buried -- there can be no doubt that this Chinese territory can do a lot more than just earn China 40 percent of its foreign exchange.

For people to be forced to give up the things they hold dear about life in Hong Kong -- the freedoms and the ability to earn and spend money -- would not help China.

The future of Hong Kong, as the observers see it, is not a question of Chinese dignity. The most important issue is to find an administrative solution which will preserve and enhance the confidence of Hong Kong people so that they can have a positive role to play in shaping the history of this piece of Chinese territory. The observers cannot offer a solution to the 1997 problem. Solutions must be reached by negotiations -- and the views of the people must be taken into account.

The following is a summary by percentage of the acceptability of the five possible solutions:

	Return Hong Kong to China	Special Economic Zone to China	Status Quo	Inde- pendent	Hong Kong To Remain Under British Administration	With Sovereignty Belonging to China
Very acceptable	1	2	37	9	6	
Quite acceptable	11	31	50	22	47	
All right	14	9	8	6	11	
Not quite acceptable	40	12	5	19	11	
Not acceptable at all	27	11	#	18	6	
Impossible	-	#	-	3	#	
Don't know	7	4	-	5	4	
Can't understand the term	-	32	-	17	15	

equals less than 0.5 percent

- equals no answer recorded

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August 17, 1982

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